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~~Confidential #1/0848~~

IN THE MATTER OF THE
APPLICATION OF NEWPATH
HOLDINGS, INC. FOR A CERTIFICATE
OF AUTHORITY TO PROVIDE
TELECOMMUNICATIONS SERVICES,
INCLUDING LOCAL EXCHANGE
SERVICES, IN SOUTH DAKOTA

MEMORANDA

2/3 00	Filed and Packeted;
2/10 00	Weekly Filing;
3/8 00	Revised Brief Pages;
3/8 00	Surety Bond;
3/31 00	Corrected Surety Bond;
5/31 00	Revised Brief Page 17;
4/19 00	Order Granting COA;
4/19 00	Packet Closed:

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A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

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 FILOMENA D'ELIA
 ARDEN T. PHILLIPS***
 PATRICK L. GILMORE***
 RICHARD L. DAVIS

* VA BAR ONLY
 ** MA BAR ONLY
 *** MD BAR ONLY

February 2, 2000

VIA OVERNIGHT DELIVERY

William Bullard, Executive Director
 South Dakota Public Utilities Commission
 500 East Capitol Avenue
 State Capitol Building, 1st Floor
 Pierre, South Dakota 57501-5070

RECEIVED
 FEB 03 2000
 SOUTH DAKOTA PUBLIC
 UTILITIES COMMISSION

Re: Application for Authority for NewPath Holdings, Inc.

Dear Mr. Bullard:

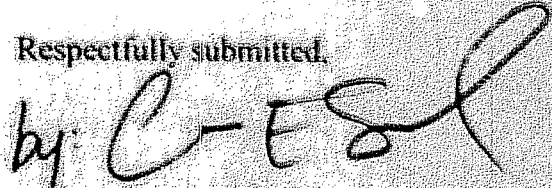
Enclosed for filing on behalf of NewPath Holdings, Inc. ("NewPath") are an original and ten (10) copies of NewPath's application for a Certificate of Authority to Provider Resold and Facilities Based Local Exchange and Interexchange Telecommunications Services in South Dakota. In addition, we have also submitted herewith a check in the amount of \$250.00 to cover the cost of filing.

Also enclosed are an original and ten (10) copies of NewPath's Request for Confidentiality, which requests confidential treatment of the information provided in Exhibit C of NewPath's Application for a Certificate of Authority. Exhibit C contains proprietary and commercially sensitive information regarding NewPath's proposed business operations. Accordingly, pursuant to South Dakota Administrative rules §§ 20:10:01:39-44, this information has been included in a sealed envelope marked "CONFIDENTIAL." NewPath respectfully requests that the information not be divulged to the public.

William Bullard
February 2, 2000
Page -2-

Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed, postage-paid envelope enclosed. Should you have any questions concerning this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,

by 

Lawrence R. Freedman
Counsel for NewPath Holdings, Inc.

cc: Keith Fenger
114027.1

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

RECEIVED

FEB 13 2013

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of the Application of)
)
NewPath Holdings, Inc.)
)
For a Certificate of Service Authority to)
Provide Resold and Facilities-Based Local)
Exchange and Interexchange Intrastate)
Telecommunications Services)

PUC Docket No. _____

APPLICATION FOR CERTIFICATE OF AUTHORITY

NewPath Holdings, Inc. ("NewPath" or "Applicant"), by its undersigned counsel, hereby submits its Application for a Certificate of Authority to provide resold and facilities-based local exchange and interexchange telecommunications services pursuant to Section 49-31-3 of the South Dakota Codified Laws and the Rules of the South Dakota Public Utilities Commission. In support of its Application for a Certificate of Authority, and pursuant to Sections 20:10:24:02 (Interexchange) and 20:10:32:03 (Local Exchange) of the Administrative Rules of South Dakota, NewPath provides the following information:

1. 20:10:24:02(1) and 20:10:32:03(1) Name, Address and Telephone Number of Applicant

Applicant's legal name is NewPath Holdings, Inc. NewPath is Delaware corporation that maintains its principal place of business at:

11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 270-9181
mherke@newpathdsl.com

All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Lawrence R. Freedman
Fleischman and Walsh, LLP
1400 Sixteenth Street, N.W. - Suite 600
Washington, DC 20036
Telephone: (202) 939-7900
Facsimile: (202) 588-0095
lfreedman@fw-law.com

with a copy to:

Mick Herke, Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 270-9181

2. 20.10.32.03(2). Name and Address of Each Corporate Officer and Director. The officers

and directors of NewPath are:

Directors

James Matthews
Jay Eliason
Todd Henrich

Officers

Jay Eliason
Dennis Bixenman
Mick Herke
Shawn Hanson

Chief Executive Officer
Acting Chief Financial Officer
Executive Vice President Regulatory and Contracts
Executive Vice President Operations

All officers and directors may be reached at:

NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 270-9181

3. 20.10.24.02(2) and 20.10.32.03(3). Name Under Which Applicant Will Provide Services. NewPath will operate in South Dakota under its legal name, NewPath Holdings, Inc.

4. 20.10.24.02(3) and 20.10.32.03(4) and (6). Legal Organization. The address of the Applicant's registered office in the State of South Dakota is 319 S. Coteau, Pierre, South Dakota, 57501-3108. The name of the Applicant's registered agent at that address is the CT Corporation System.

The following individuals own twenty percent or more of the interest in NewPath

Shareholder	Percentage
Jay R. Eliason 11260 Aurora Avenue, Bldg. 12 Des Moines, IA 50309	28.938%
Mick Herke 11260 Aurora Avenue, Bldg. 12 Des Moines, IA 50309	22.724%
Shawn Hanson 11260 Aurora Avenue, Bldg. 12 Des Moines, IA 50309	22.724%

The Applicant does not have a parent organization or any affiliates, nor does it own or control any subsidiaries.

Applicant is a corporation organized under the laws of Delaware on August 5, 1999, and is authorized to do business in South Dakota. Attached to this application, as Exhibit A, are copies of NewPath's Certificate of Incorporation and its Certificate of Authority to transact business in South Dakota.

5. 20.10:24:02(5). Proposed Services and 20.10:32:03(7). List and Specific Description of Services and Means by Which Services will be Provided. NewPath proposes to offer resold and facilities-based local exchange and interexchange services to subscribers throughout the State of South Dakota. Therefore, NewPath seeks statewide authorization. However, NewPath will not offer local exchange services in the service areas of small and rural incumbent carriers exempt from interconnection obligations as set forth in 47 U.S.C. § 251(c). Initially, NewPath intends to provide data services only. NewPath will deploy xDSL technology to provide high-speed, high quality data connections throughout South Dakota that provide the following services: Internet Access; Data Services (Private Virtual Circuits ("PVC"), Web Hosting, Web Software Server); Virtual Private Networks (LAN Connections, WAN Connections, PBX Extensions); and Video Services (Teleconferencing). Initially, NewPath proposes to provide these services through its own electronic equipment collocated at ILEC central offices, through the use of unbundled network elements and/or other transport means leased or purchased from the incumbent local exchange carriers and/or other certificated carriers, and/or through the resale of the services of the incumbent local exchange carriers and/or other carriers. NewPath may later construct its own switching and transmission facilities, as market conditions warrant. NewPath proposes to install an Asynchronous Transfer Mode ("ATM") switched network to carry its data traffic. NewPath will establish a hub in each metropolitan area in which it provides service. The hub will be connected to NewPath's collocated facilities in the incumbent LECs' central offices via appropriate interconnects, such as DS3 and/or OC3, forming a star configuration.

- a. 20.10:32:03(7)(a). Classes of Customers. NewPath initially plans to target its marketing efforts to small and medium-sized businesses and residential

markets with a need for affordable, high bandwidth, high performance, and high-speed Internet and Intranet data connections.

b. 20:10:32:03(7)(b). Time-Frame for Provision of Service. NewPath plans to begin offering data transmission services in the State of South Dakota by the beginning of the 4th quarter of year 2000.

c. 20:10:24:02(6). Facilities to be Used to Provide Service and
20:10:32:03(7)(c). Description of Facilities (including underlying
carriers). Please see the general description under Number 5 above. To the extent that NewPath employs the facilities of underlying carriers to provide its services, it will use the facilities of local exchange companies such as US WEST.

d. 20:10:32:03(7)(d). General Nature of Service Authority Requested.
Please see above.

6. 20:10:24:02(7) and 20:10:32:03(8). Geographic Area to Be Served. NewPath seeks authority to provide its proposed interexchange services to and from all points within South Dakota, but not authority to offer local exchange services in the service areas of small and rural carriers not subject to 47 U.S.C. 251(c). Notwithstanding, NewPath seeks statewide authorization so that it may expand to these areas as they become open to competition.

7. 20:10:32:03(10) Customer Access to 911, Operator Services, Interexchange Services, Directory Assistance and Telecommunications Relay Service. During such time that NewPath provides data services only, these voice related services are not applicable to NewPath's services offering. At such time that NewPath initiates voice services, it will comply with all applicable laws and regulations relevant to the provision of such voice services.

8. 20:10:32:03(9)(a). Education and Experience of Management Personnel. NewPath possesses the managerial and technical qualifications to provide resold and facilities-based local and interexchange telecommunications services in South Dakota. NewPath's managers are well qualified to execute its business plan, to provide its proposed telecommunications services and to operate and maintain NewPath's facilities over which such services will be deployed. Descriptions of the extensive telecommunications and managerial experience of NewPath's key personnel are attached hereto as Exhibit B.

9. 20:10:24:02(10) Current Authority to Provide Service, 20:10:32:03(5) Applicant's Experience, and 20:10:32:03(17) States Where Applicant is Certified. NewPath has not previously provided telecommunications service in the State of South Dakota. NewPath's managers, however, possess the requisite experience to execute NewPath's business plan as stated in Number 8, above. Furthermore, NewPath is currently in the process of obtaining authority to provide such services in Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Minnesota, Michigan, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, Tennessee and Wisconsin. NewPath has not been denied authority to provide these services in any jurisdiction.

10. 20:10:24:02(8) and 20:10:32:03(11) Financial Qualifications. Applicant is financially qualified to provide telecommunications services in the state of South Dakota. In particular, NewPath has access to the financing and capital necessary to conduct telecommunications operations, as specified in this application. Attached to this application, as Exhibit C, are the most recent financial statements for NewPath which demonstrate that NewPath possesses the sound financial support necessary to competently and effectively provide the service authority requested in this Application. This information is confidential and commercially sensitive. Accordingly, Applicant has included the information in sealed envelopes marked

"CONFIDENTIAL," attached to the original and each copy of this Application filed with the Commission. Applicant respectfully requests that the information not be divulged to the public. NewPath has also filed a petition to request confidentiality of these documents simultaneously with its application for a Certificate of Authority. As a privately held company, NewPath does not issue an annual report or report to shareholders.

11. 20:10:24:02(8) and 20:10:32:03(13). Tariff. NewPath's proposed tariff is attached hereto as **Exhibit D.**
12. 20:10:32:03(12) Interconnection with Local Exchange Carriers and 20:10:32:03(16) Rural Carrier Interconnection. NewPath sent a letter to US WEST, the only South Dakota local exchange carrier with which it currently plans to interconnect, on December 9, 1999 requesting interconnection. Negotiations for interconnection are imminent and NewPath expects to be able to provide its interconnected service by this fall. A copy of the Applicant's interconnection request is attached hereto as **Exhibit E.**

NewPath does not currently seek to offer service in the area of any rural telephone company in South Dakota.

13. 20:10:24:02(9) and 20:10:32:03(9)(b) and (18). Complaint and Regulatory Contacts. NewPath's plan to address customer complaints is described in section 2 of its tariff attached hereto as Exhibit D. NewPath's managers, technical personnel and consultants possess the requisite experience to address customer complaints and inquiries promptly and perform facility and equipment maintenance necessary to ensure compliance with the Commission's quality of service requirements.

All inquiries regarding regulation, complaints and the ongoing operations of NewPath following certification should be directed to:

Mick Herke, Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 270-9181

14. 20:10:24:02(11) and 20:10:32:03(15). Marketing Plan. NewPath will utilize direct sales efforts and the strategic partnerships it has with other providers of telecommunications services to market its services. Initial NewPath marketing will be directed at the high speed data services needs of small and medium sized businesses.

15. 20:10:24:02(9) and 20:10:32:03(19) Policies Regarding Customer Billing and Collection. NewPath's policies regarding how it handles customer billings and customer service matters are described in its tariff generally and specifically at Section 2.5 of its tariff which is attached hereto as Exhibit D.

16. 20:10:32:03(20) Policies Regarding Customer Solicitation and Prevention of Unauthorized Customer Switching. NewPath initially plans to market data services only, and not voice services. Therefore, customers will not change their preferred local and long distance carriers when subscribing to NewPath's high speed data service. When NewPath offers voice service, it will prevent unauthorized switching of customers by complying with Chapter 20:10:34 of the South Dakota Rules and the Federal Communications Commission's ("FCC's") regulations regarding how a subscriber's carrier selection may be changed.

17. 20:10:24:02(13) and 20:10:32:03(23) Federal Tax Identification Number. NewPath's federal tax identification number is 42-1492345.

18. 20:10:24:02(14) and 20:10:32:03(21). Number and Nature of Complaints Filed Against NewPath. No complaints have been filed against NewPath with any state or federal regulatory agency.
19. 20:10:24:02(15) and 20:10:32:03(22). Written Request for Waiver. NewPath requests the following waivers:
- (1) Cost support requirement in 20:10:24:02(12) and 20:10:32:03(14). NewPath's proposed services are competitive and as such, it seeks a waiver from the requirement to provide cost support for the rates it will provide in its tariff.
- (2) Local exchange map requirement in 20:10:24:02(7) and 20:10:32:03(8). NewPath seeks authority to provide service statewide, and its local calling areas will mirror those of US WEST. Therefore, it seeks a waiver from the requirements to provide maps of its proposed telecommunications service areas in South Dakota.
20. 20:10:24:02(16) and 20:10:32:03(24). Additional information. NewPath will provide any other information requested by the Commission needed to demonstrate that it has sufficient technical, financial and managerial capabilities to provide the interexchange and local exchange services it intends to offer.

WHEREFORE, NewPath Holdings, Inc., respectfully requests that the South Dakota Public Utilities Commission issue a Certificate of Authority authorizing NewPath to provide

WHEREFORE, NewPath Holdings, Inc., respectfully requests that the South Dakota Public Utilities Commission issue a Certificate of Authority authorizing NewPath to provide resold and facilities-based, local exchange and interexchange intrastate telecommunications services in the State of South Dakota.

Respectfully submitted,

by: 

Lawrence R. Freedman
Fleischman & Walsh L.L.P.
1400 Sixteenth Street, NW
Suite 600
Washington, D.C. 20036
Telephone: (202) 939-7923
Facsimile: (202) 588-0095

Counsel for NewPath Holdings, Inc.

Dated: February 2, 2000

EXHIBIT A OF NEWPATH HOLDINGS, INC.

Certificate of Incorporation and Certificate to Transact Business in South Dakota

**CERTIFICATE OF
INCORPORATION OF
NEUPATH HOLDINGS, INC.**

ARTICLE 1

The name of this corporation is NewPath Holdings, Inc. (the "Corporation").

ARTICLE 2

- A. The address of the Corporation's registered office in the State of Delaware is 1309 Orange Street, in the City of Wilmington, County of New Castle. The name of the Corporation's registered agent at such address is The Corporation Trust Company.
- B. The name and mailing address of the incorporator of the Corporation is Michael G. Kulik, 666 Walnut Street, Ste. 2500, Des Moines, Polk County, Iowa 50309-3993.

ARTICLE 3

The existence of the Corporation shall be perpetual.

ARTICLE 4

The nature of the business or purposes to be conducted or promoted is to provide telecommunications services and engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE 5

- A. Classes of Stock. This Corporation is authorized to issue two (2) classes of stock, to be designated respectively "Common Stock" and "Preferred Stock." The total number of shares that this Corporation is authorized to issue is one hundred fifty million (150,000,000) shares. One hundred million (100,000,000) shares shall be Common Stock and fifty million (50,000,000) shares shall be Preferred Stock, each with a par value of \$.0001 per share.
- B. Rights, Preferences, and Restrictions of Preferred Stock. The Board of Directors is hereby authorized to fix or alter the rights, preferences, privileges, and restrictions granted to or imposed upon any series of Preferred Stock, and the number of shares constituting any such series and the designation thereof.

ARTICLE 6

Except as otherwise provided in this Certificate of Incorporation, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend, and rescind any or all of the Bylaws of the Corporation.

ARTICLE 7

The number of directors of the Corporation shall be fixed from time to time by a bylaw or amendment thereof duly adopted by the Board of Directors or by the stockholders.

ARTICLE 8

Elections of directors need not be by written ballot, unless the Bylaws of the Corporation shall so provide.

ARTICLE 9

Meeting of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

ARTICLE 10

A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived any improper personal benefit. If the Delaware General Corporation Law is amended after approval by the stockholders of this article to authorize corporation action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article 10 by the stockholders of the Corporation shall not adversely affect any right or protection of a

director of the Corporation existing at the time of, or increase the liability of any director of this Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

ARTICLE 11

To the fullest extent permitted by applicable law, this Corporation is also authorized to provide indemnification of (and advancement of expenses to) such agents (and any other persons to which Delaware law permits this Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors, or otherwise in excess of the indemnification and advancement otherwise permitted by section 145 of the General Corporation Law of the State of Delaware, subject only to limits created by applicable Delaware law (statutory or nonstatutory) with respect to actions for breach of duty to this Corporation, its stockholders, and others.

Any repeal or modification of any of the foregoing provisions of this Article 11 shall not adversely affect any right or protection of a director, officer, agent, or other person existing at the time of, or increase the liability of any director of this Corporation with respect to, any acts or omissions of such director, officer, or agent occurring prior to such repeal or modification.

ARTICLE 12

The Corporation reserves the right to amend, alter, change, or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

THE UNDERSIGNED, being the incorporator hereinbefore named, for the purpose of forming a corporation to do business both within and without the State of Delaware and in pursuance of the General Corporation Law of Delaware, does make and file this Certificate of Incorporation hereby declaring and certifying that the facts herein stated are true, and accordingly has hereunto set his hand this 5th day of August, 1999.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Incorporation on this 5th day of August, 1999.


Michael G. Kulik, Incorporator

State of South Dakota



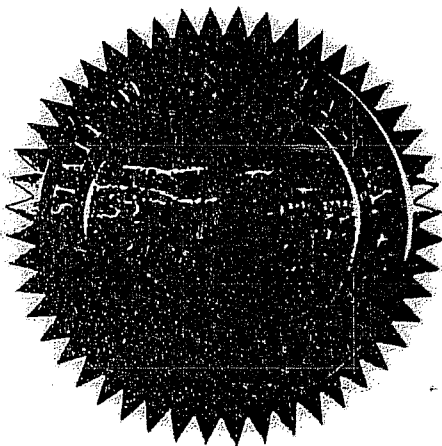
OFFICE OF THE SECRETARY OF STATE

Certificate of Authority

I, **JOYCE HAZELTINE**, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **NEWPATH HOLDINGS, INC. (DE)** to transact business in this state duly signed and verified pursuant to the provisions of the South Dakota Corporation Acts, have been received in this office and are found to conform to law.

ACCORDINGLY and by virtue of the authority vested in me by law, I hereby issue this Certificate of Authority and attach hereto a duplicate of the application to transact business in this state.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of South Dakota, at Pierre, the Capital, this September 21, 1999.



Joyce Hazeltine
Secretary of State

EXHIBIT B OF NEWPATH HOLDINGS, INC.

Management Biographies

NewPath has assembled an experienced team of industry professionals to achieve its mission of market leadership. The following summaries highlight management's extensive background.

Jay Eliason, Chief Executive Officer

As Chairman and CEO, Mr. Eliason will focus his leadership capabilities on establishing a strong operational team and upon appropriate operation and expansion of NewPath Holdings, Inc.

Mr. Eliason is a Certified Public Accountant, formerly employed by Arthur Anderson in Des Moines, Iowa. Since leaving Arthur Anderson, Mr. Eliason has been involved in the organization and operation of several cable television and telephone companies. The companies under his management serve over 7,000 telephone access lines and 50,000 cable television subscribers. In addition, Galaxy American, a 35,000 subscriber cable television company managed by Galaxy Telecom, is 60% owned by companies managed by Mr. Eliason.

All of the companies managed by Mr. Eliason have been developed from an idea to an operating company by a management team organized by Mr. Eliason. Since 1991 the management team has been involved in every aspect of over 80 transactions, including the sale of telephone exchanges and cable television systems to over 60 independent telephone companies in the Midwest. The management team continues to operate the following independent telephone companies:

- Telnet Communications, L.C.- Telnet is a 7,500 subscriber cable telephone company owned by the management team and 19 independent telephone companies;
- Illinet Communications of Central Illinois, L.L.C.- Illinet is a 9,500 subscriber cable television operation owned by the management team and 11 Illinois independent telephone companies;
- Alpine Communications, L.C.- Alpine owns 7,000 telephone access lines and 1,000 cable subscribers in Northeast Iowa. Alpine was formed in 1995, with \$4.8 million of equity from the management team and 11 independent telephone companies, to purchase telephone exchanges from US WEST in Iowa; and
- TelePartners, L.L.C.- TelePartners is a 21,000 subscriber cable television company clustered in the area between Omaha, Nebraska and Sioux City, Iowa. TelePartners was formed in 1998 to accumulate these subscribers from four different selling groups.

Mr. Eliason will be responsible for overall leadership and for hiring key management representatives with appropriate industry experience.

Dennis Bixenman, Acting Chief Financial Officer

Dennis Bixenman is currently a consultant to NewPath, using his services to assist NewPath with

growth by merger and acquisition.

Mr. Bixenman is a Senior Consultant with 27 years of telecommunications experience with Williams & Company Consulting, Inc., and is also a Certified Public Accountant. Some of the key projects Mr. Bixenman has been involved with include the following:

- Served as CFO for a high-growth company employing in excess of 1,400 people. Raised \$13.3 million in additional capital, negotiated financing package in excess of \$25.0 million and deployed financial accounting and management information systems;
- Developed strategic plans, arranged financing, and raised capital for the start up of several companies. Capital requirements ranged from \$7.0 million to \$32.0 million;
- Primary assistance to several companies in mergers and acquisitions including negotiation of terms, arrangement of financing, and ownership transition assistance;
- Formed a Personal Communications (PCS) partnership to participate in FCC spectrum auctions, and to deploy wireless systems;
- Primary business advisor to emerging companies to assist in their evolution from entrepreneurial growth phase to a mature, financially stable, professionally managed business; and
- Prepared financial feasibility studies of all types to determine the potential economic results of differing strategies for new products, services, markets, acquisitions, etc.

Mick Herke, Executive Vice President, Regulatory and Contracts

Mr. Herke will serve NewPath as Executive Vice President of Regulatory and Contracts.

Mr. Herke has more than 17 years experience in telecommunications, primarily with independent telephone companies in Iowa. Mr. Herke currently serves as Executive Vice President and General Manager of Alpine Management Company. Alpine Management Company manages the operations of Alpine Communications, a LEC that serves approximately 7,000 customers in Northeast and West Central Iowa. Mr. Herke was the lead involved in transitioning ownership of access lines from US WEST to Alpine from 1996 to 1997.

Mr. Herke's experience within the telecommunications industry includes the follows:

- Initiated the operational start-up of Alpine Communications, L.C.;

- Assisted other independent telephone companies with their acquisition of US WEST properties;
- Facilitated the transition of US WEST properties to Alpine and other independent telephone companies in Iowa during 1997 ;
- Developed network plans to upgrade digital switches and deploy a fiber optic network to effectively serve Alpine's customers;
- Developed and administered yearly budgets;
- Former operations manager for a MMDS wireless cable TV company that covered the Minneapolis/St. Paul metropolitan area;
- Developed and implemented a start-up MMDS wireless cable TV system that covered 900 square miles in northern Iowa and southern Minnesota; and
- Developed plans to construct, transmit, and receive towers for the wireless cable TV systems, which included filing for, and receiving proper FAA clearances and adhering to local zoning ordinances.

Mr. Herke currently serves on the Board of Directors of the Rural Independent Telephone Association. Through this organization he remains in contact with the 150 members of the Association and maintains a close working relationship with these members.

Shawn Hanson, Executive Vice President, Operations

Mr. Hanson will serve NewPath as Executive Vice President of Operations. His leadership focus on core operations will provide the basis for ensuring a well managed and appropriate rollout of the network and service processes that will ensure customer satisfaction in new markets. His knowledge of the industry and market conditions combined with his successful experience in managing large-scale service organizations will create a platform for sustainable growth and operational efficiency.

Mr. Hanson most recently served as the leading executive for Crystal Communications, Inc. in Iowa. In that role, he was responsible for all phases of CLEC business development in a start-up environment. Prior to joining Crystal, Mr. Hanson served as Regional Vice-President of Designed Services for U S WEST. In this role, he was accountable for all phases of installation and maintenance for Designed Services, which included Private Line Transport, Switched Access, and Interconnection Products. His organization was responsible for the field installation process associated with U S WEST's initial rollout of Megabit DSL service for high speed Internet access. As Vice President of Designed Services, Mr. Hanson managed an organization of over 800 employees across 11 geographic states, including 3 large Design Services Operations Centers in Des Moines, Minneapolis, and Salt Lake City. In 1997 and 1998, Mr. Hanson

received special recognition from U S WEST for operational and service improvement initiatives which resulted in a 20% improvement in on-time installation and a 25% improvement in cycle time for clearing trouble reports.

During his 19-year career with U S WEST, Mr. Hanson also served as Vice President of Network Operations for Iowa and Nebraska. In this role, he was accountable for all phases of construction, rehabilitation, preventative maintenance and demand activities associated with management of U S WEST's network infrastructure in Iowa and Nebraska. This position included an organization of 1100 employees with an annual expense budget of \$80 million and annual capital budgets ranging between \$80 and \$140 million. As Vice President of Network Operations Mr. Hanson was successful in improving out-of-service cases of trouble cleared in less than 24 hours by 50%.

Additional milestones reached under Mr. Hanson's leadership include:

- Deployment of U S WEST Design Service MegaCenters;
- U S WEST participation and advocacy in Federal Price Cap Regulation; and
- Development and approval of prices for Switched and Special Access Charges in the first post-divestiture Access Tariff with the FCC.

NewPath Consultant Biographies

Burnie E. Snoddy, Williams & Company Consulting, Inc.

Mr. Snoddy has over 30 years experience in the telecommunications industry with U S WEST. Assignments included outside plant construction and engineering, personnel, and over 15 years working with Iowa independent telephone companies in separations studies, access billing and contractual arrangements.

Mr. Snoddy joined Williams & Company Consulting, Inc. over three years ago and has been involved in projects assisting independent telephone companies in regulatory, financial, contractual arrangements and strategic planning. In addition to projects with traditional telephone company operations, Mr. Snoddy has been involved with applications for certification and interconnection agreements for Competitive Local Exchange Carrier (CLEC) consortiums, formed by independents in Iowa. Other projects include long distance entry studies, operational reviews of telephone operations, EAS cost studies and various interexchange facility arrangements.

Mr. Snoddy is active in industry associations, advising on issues of compensation and interconnection and other carrier relationships.

Morris Westerhold, TPC Consulting, Inc.

Before forming TPC Consulting, Mr. Westerhold had 28 years of executive leadership and broad telecommunications experience from a variety of assignments at Ameritech and, prior to divestiture, various companies in the old Bell System.

Mr. Westerhold's experience includes Corporate Strategy support to the Cellular, PCS, and Network units of Ameritech. Mr. Westerhold led the technology planning and implementation for the Ameritech PCS trial, one of the more comprehensive PCS trials from both a marketing and technology perspective. Due to Mr. Westerhold's work, Ameritech was awarded two US Patents for a lower cost PCS architecture now being standardized.

Mr. Westerhold led the largest division in the Marketing New Product Development organization at Ameritech Services. He presented and received approval on the first ISDN Business Case and was a major contributor to the Ameritech Data Strategy. He created the first Ameritech organization focused on managing technology developments in support of marketing new services.

Mr. Westerhold's accomplishments also include 800 Data Base Service, Alternate Billing Service, ISDN, Voice Messaging Access Service, and a LAN Interconnection Service. He created the first Ameritech Network Architecture Planning organization.

As part of an RBOC governance panel, Mr. Westerhold managed the Bellcore developments for Network Architecture Planning and New Services Development and led the effort to convince other RBOCs and Bellcore of the importance of ISDN and to assist Bellcore in developing its first ISDN project plan.

At AT&T General Departments, Mr. Westerhold managed the Bell Labs, WEC, and BOC activities associated with new developments and initial implementations for No. 1 ESS, Voice Storage System, and Local Area Data Transport.

Mr. Westerhold's Illinois Bell management assignments including TIRKS and PICS/DCPR, Central Office Operations, Central Office Engineering, Planning Engineering, and Maintenance Engineering. He managed the Divestiture Central Office asset assignment process for Illinois Bell and led a task force to establish Special Services Center.

At Bell System Center for Technical Education, Mr. Westerhold developed the first course for middle management on No. 2 ESS. And at Bell Labs, Mr. Westerhold developed the first issue of the No. 2 ESS software Audit Programs.

Bob Walker, Comsource, Inc.

Mr. Walker established Comsource, Inc. in 1994. Comsource's initial efforts focused on solving communications problems for the business community and providing technical assistance to telecommunications carriers.

In 1996, with a passage of the Communication Act, Comsource's focus changed to assisting Competitive Local Exchange Carriers (CLECs) entering the telecommunications business. Comsource assists with planning, basic design and network architecture(s), product selection, negotiating the technical aspects of interconnect agreements with Incumbent Local Exchange

Carrier (ILEC), assisting with the technical implementation planning and ILEC negotiations. Comsource also provides guidance and planning on Operation Support Systems (OSS) development and deployment, traffic engineering, networking sizing and many other technical areas necessary in the establishment of a new telecommunication company.

Mr. Walker has nearly 40 years experience in the telecommunications industry with 33 years at Illinois Bell and Ameritech. Mr. Walker has held a wide range of technical staff and management positions within Illinois Bell and Ameritech in the switching, transport and OSS arenas. Prior to his departure from Ameritech, Mr. Walker was Director Transport Planning for Illinois Bell. Mr. Walker also was the Director of Transmission at Illinois Bell before assuming the planning position.

Mr. Walker has also held the position of Director of Technical Development at Ameritech Development, an unregulated new venture entity, which provided him with a special insight into the competitive, new venture field. Mr. Walker's many years in the industry and his extensive background in both line and staff positions throughout his career make him uniquely qualified to assist in the creation of new competitive telephone companies.

EXHIBIT C OF NEWPATH HOLDINGS, INC.

Financial Statements (see sealed envelope)

CONFIDENTIAL

[]

EXHIBIT D OF NEWPATH HOLDINGS, INC.
Proposed Tariff

**TARIFF SCHEDULE APPLICABLE TO
INTRASTATE TELECOMMUNICATIONS SERVICES
PROVIDED WITHIN THE STATE OF SOUTH DAKOTA
BY
NEWPATH HOLDINGS, INC.**

Issued:

Effective:

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

CHECK SHEET

Pages 1-47 inclusive of this tariff as of the date shown.

<u>SHEET</u>	<u>REVISION</u>	<u>SHEET</u>	<u>REVISION</u>
1	Original	26	Original
2	Original	27	Original
3	Original	28	Original
4	Original	29	Original
5	Original	30	Original
6	Original	31	Original
7	Original	32	Original
8	Original	33	Original
9	Original	34	Original
10	Original	35	Original
11	Original	36	Original
12	Original	37	Original
13	Original	38	Original
14	Original	39	Original
15	Original	40	Original
16	Original	41	Original
17	Original	42	Original
18	Original	43	Original
19	Original	44	Original
20	Original		
21	Original		
22	Original		
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TARIFF FORMAT

- A. Page Numbering – Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers – Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th Revised Page 14 Cancels the 3rd Revised Page 14.
- C. Paragraph Numbering Sequence – there are five levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2.
 - 2.1
 - 2.1.1
 - 2.1.1.1
 - 2.1.1.1.a
 - 2.1.1.1.a.(1)

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**EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS OF
TECHNICAL TERMS USED IN THIS TARIFF.**

When changes are made in any tariff sheet, a revised sheet will be issued canceling the tariff sheet affected. Changes will be identified on the revised sheet(s) through the use of the following symbols:

- C - Changed Regulation
- D - Delete or Discontinue
- I - Increase to a Rate
- L - Moved from Another Tariff Location
- N - New Rule or Rate
- R - Reduction to a Rate
- T - Change in Text But No Change to Rate or Charge

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NewPath Holdings, Inc.

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of intrastate telecommunications services within the State of South Dakota by NewPath Holdings, Inc.

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1.0 DEFINITIONS

For purposes of this tariff, the following definitions will apply.

ACCESS LINE – An arrangement that connects the Customer's location to the Company's designated switching center or point of presence.

ADVANCE PAYMENT – The payment required before the start of service.

AUTHORIZED USER – A person, corporation or other entity who is authorized by the Company's customer to utilize service provided by the Company to the customer. The Customer is responsible for all charges incurred by an Authorized User.

COMMISSION – The South Dakota Public Utilities Commission.

COMPANY – NewPath Holdings, Inc. ("NewPath")

CUSTOMER – The person, firm, corporation, or other entity which orders service pursuant to this tariff and utilizes service provided under tariff by the Company. A Customer is responsible for the payment of charges and for compliance with all terms of the Company's Tariff.

CUSTOMER PREMISES EQUIPMENT ("CPE") – Equipment provided by the Customer for use with the Company's services.

DIGITAL – A method of storing, processing and transmitting information through the use of distinct electronic or optical pulses that represent the binary digits (bits) 0 and 1. Digital transmission/switching technologies employ a sequence of discrete, individually distinct pulses to represent information, as opposed to the continuously variable signal of analog technologies.

DIGITAL SUBSCRIBER LINE (xDSL) – A technology that uses a metallic copper loop to provide high-speed data transmission services.

INTERRUPTION – The inoperability of the subscriber line due to Company facilities malfunction or human errors.

LATA – A Local Access and Transport Area established pursuant to the Modification of Final Judgment entered by the United States District Court for the District of Columbia in Civil Action No. 82-0192; or any other geographic area designated as a LATA in the National Exchange Carrier Association Tariff F.C.C. No. 4.

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LOOPS - Segments of line which extend from the serving central office to the originating and terminating point.

MOVE - The disconnection of existing equipment at one location and reconnection of the same equipment, which continue for the agreed upon duration for the services.

SERVICE COMMENCEMENT DATE - The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance. The Company and the Customer may mutually agree to a substitute Service Commencement Date.

SERVICE ORDER - The written request for service executed by the Customer and the Company in the format devised by the Company. The execution of a Service Order by the customer and acceptance by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff.

SHARED - A facility or equipment system or subsystem that can be used simultaneously by several customers.

TERMINAL EQUIPMENT - the method of physical connection between a Company-provided access line and a Customer's or User's transmission cable, inside wiring or terminal equipment. The Customer is responsible for ordering a terminal interface that is compatible with the Customer's or User's terminal equipment. All terminal interfaces will be provided by industry-standard connectors as specified in or authorized by Subpart F of part 68, Title 47, Code of Federal Regulations.

USER - A Customer, Joint User or any other person authorized by the Customer to use service provided under this tariff.

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2.0 REGULATIONS

2.1 Undertaking of the Company

2.1.1. Scope

The Company undertakes to furnish communications service pursuant to the terms of this tariff in connection with one-way and/or two-way data transmission between points within the State of South Dakota.

Customers and users may use services and facilities provided under this tariff to obtain access to services offered by other service providers. The Company is responsible under this tariff only for the services provided hereunder, and it assumes no responsibility for any service provided by any other entity that purchases access to the Company network in order to originate or terminate its own services, or to communicate with its own Customers.

2.1.2. Shortage of Equipment of Facilities

- A. The furnishing of service under this tariff is subject to the availability on a continuing basis of all the necessary facilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from other carriers to furnish service from time to time as required at the sole discretion of the Company, in a non-discriminatory manner consistent with the authority granted by the Commission.
- B. The Company reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by the Company, when necessary because of lack of facilities, or due to some other cause beyond the Company's control.

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2.1.3 Terms and Conditions

- A. Service is provided on the basis of a minimum period of at least one (1) month, 24-hours per day. For the purpose of computing charges in this tariff, a month is considered to have thirty (30) days.
- B. Customers may be required to enter into written Service Orders which shall contain or reference a specific description of the service ordered, the tariff or other approved rates to be charged, the duration of the services, and the terms and conditions in this tariff. Customers will also be required to execute any other documents as may be reasonably requested by the Company.
- C. Except as otherwise stated in the tariff, at the expiration of the initial term specified in each Service Order, or in any extension thereof, service shall continue on a month-to-month basis at the then current rates unless terminated by either party upon thirty (30) days written notice. Any termination shall not relieve the Customer of its obligation to pay any charges incurred under the Service Order and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the service order shall survive such termination.
- D. Service may be terminated with written notice to the Customer if:
 - 1. the Customer is using the service in violation of this tariff, or
 - 2. the Customer is using the service in violation of the law.
- E. This tariff shall be interpreted and governed by the laws of the State of South Dakota without regard for its choice of laws provision.

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- F. Customer Service Inquiries. The Company will comply with the Commission's rules regarding customer service inquiries and complaints. The Company's toll-free Customer Service number is () _____.
- G. The Company hereby reserves its rights to establish service packages specific to a particular Customer. The contracts may or may not be associated with volume and/or term discounts. All such offerings shall be consistent with the rates and conditions specified herein, or shall require approval of the Commission.

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2.1.4 Limitations on Liability

- A. The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control resulting from failures of power service, climate control, fire, explosion, water, storm, force majeure, or other catastrophe. The company shall make reasonable provisions to minimize the effects of service outages to the extent it owns the affected equipment.
- B. Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 2.6.
- C. Except as specified in this tariff, Company and its contractors shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages of any kind or nature arising out of or in connection with the installation, use, repair, performance or removal of the equipment, or other services in connection with the performance or failure to perform its obligations, including, but not limited to, loss of revenue or profits, regardless of the foreseeability thereof for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.
- D. The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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Des Moines, Iowa 50322

- E. The Company shall not be liable for and shall be indemnified and saved harmless by the Customer from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:
- a. Any act or omission of: (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;
 - b. Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; natural emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;
 - c. Any unlawful or unauthorized use of the Company's services;
 - d. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company-provided services; or by means of the combination of Company-provided services;
 - e. Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises by the Company or any Carrier or the installation or removal thereof;

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- f. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the facilities of any Carrier;
 - g. Failure of Customer to comply with the requirements of Section 2.3.1.
 - h. Any non-completion of calls due to network busy conditions;
 - i. And any other claim resulting from any act or omission of the Customer or patron(s) of the Customer relating to the use of the Company's services.
- F. The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.
- G. THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.
- H. Failure by the Company to assert its rights pursuant to one provision of this tariff does not preclude the Company from asserting its rights under other provisions.

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- I. Company shall not be liable to Customer or any other person, firm or entity for failure of performance hereunder if such failure is due to any cause or causes beyond the reasonable control of Company. Such causes shall include, without limitation, acts of God, fire, explosion, vandalism, cable cut, storm or other similar occurrences, any law, order, regulation, direction, action or request of the United States government or of any other government (including state and local governments or of any department agency, board, court, bureau, corporation or other instrumentality of any one or more of said governments) or of any civil or military authority, national emergencies, insurrections, riots, wars, strikes, lockouts or work stoppages or other labor difficulties, supplier failures, shortages, breaches or delays.

If Company's failure of performance by reason of force majeure specified above shall be for thirty (30) days or less, then the service shall remain in effect, but an appropriate percentage of charges shall be abated and/or credited in the discretion and determination of Company; if for more than thirty (30) days, then the service may be canceled by either party without any liability.

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2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but may affect many Customers' services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned service-affecting conditions, such as an outage resulting from cable damage, notification to the Customer may not be possible.

2.1.6 Non-Routine Installation

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours or in hazardous locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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2.1.7 Availability of Services

- A. The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in the tariffs of the Company.
- B. The Company and Customer shall negotiate a mutually agree to installation date based on availability of services and facilities and the Customer's requested date.

2.2 Prohibited Uses

- A. The services the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- B. The Company may require applicants for service who intend to use the Company's offerings for resale and/or for shared use to file a letter with the Company confirming that their use of the Company's offerings complies with relevant laws and the South Dakota Commission's regulations, policies, order, and decisions.
- C. The Company may block any signals being transmitted over its Network by Customers which cause interference to the Company or other Users. Customer shall be relieved of all obligations to make payments for charges relating to any blocked service and shall indemnify the Company for any claim, judgment or liability resulting from such blockage.
- D. A Customer, Joint User, or Authorized User may not assign, or transfer in any manner, the service or any rights associated with the service without the written consent of the Company. The Company will permit a Customer to transfer its existing service to another entity at the same location if the existing Customer has paid all charges owed to the Company. Such a transfer will be treated as a disconnection of existing service and installation of new service, and non-recurring installation charges as stated in this tariff will apply.

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2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A. the payment of all applicable charges pursuant to this tariff;
- B. providing the personnel, power and space required to operate all facilities and associated equipment installed on the premises of the Customer;
- C. providing Company personnel access to premises of the Customer at any reasonable hour for the purpose of testing the facilities or equipment of the Company.

2.3.2 Liability of the Customer

- A. The Customer shall not assert any claim against any other Customer or User of the Company's services for damages resulting in whole or in part from or arising in connection with the furnishing of service under this tariff including but not limited to mistakes, omissions, interruptions, delays, errors or other defects or misrepresentations, whether or not such other Customer or User contributed in any way to the occurrence of the damages, unless such damages were caused solely by the negligent or intentional act or omission of the other Customer or User and not by any act or omission of the Company. Nothing in this tariff is intended either to limit or to expand Customer's right to assert any claims against third parties for damages of any nature other than those described in the preceding sentence.

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- B. The Customer shall be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.
- C. To the extent caused by any negligent or intentional act of the Customer, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses for (1) any loss, destruction or damage to property of any third party; and, (2) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for the interruption of, interference to, or other defect in any service provided by the Company to such third party.

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2.4 Establishing Credit and Customer Deposits

2.4.1 Establishing Credit

The Company will determine the credit standing of any applicant based on the applicant's prior telecommunications bill payment history or based on toll charges reasonably traced to the applicant but placed from another person's telephone if the applicant has not had telecommunications services before. When the applicant has no telecommunications credit history, Company may, with notice to the applicant, determine applicant's credit standing based on the applicant's other utility bill payment or credit history, including reports from consumer reporting agencies subject to the Fair Credit Reporting Act, 15 U.S.C. Section 1681 et seq (October 26, 1970).

2.4.2 Deposits

- A. To safeguard its interests, the Company may require the Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit may be required if the Customer's financial condition is not acceptable to the Company or cannot be ascertained from generally accepted credit reporting sources. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to two (2) months charges for tariffed services or; two (2) months charges for a service or facility which has a minimum payment period of one month.
- B. In the event the deposit exceeds \$75.00 per access line, the Customer shall pay one half of the deposit prior to the provision of service, with the remainder of the deposit due thirty (30) days after provision of the service.
- C. A deposit may be required in addition to an advance payment.

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NewPath Holdings, Inc.

- D. The Company shall review accounts of Customers with deposits and shall refund deposits with interest if the accounts have been current for the preceding (12) twelve months. The Company will follow the South Dakota Commissions rules and procedures regarding refunds of deposits.
- E. Upon discontinuance of service, the Company shall automatically refund the Customer's deposit plus accrued interest, or the balance, if any, in excess of the unpaid bills including any penalties assessed for service furnished by the Company.
- F. The rates of interest paid will be 7%, or the rate established by the South Dakota Commission.

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2.5 Payment Arrangements

2.5.1 Payment for Service

Customer shall pay Company, monthly in advance, a monthly charge equal to the rate set forth in the Service Description or equal to the monthly charge as adjusted under the terms hereof, provided, however, that the first such payment shall be for the period from the Service Commencement Date through the end of the next full month. The non-recurring installation charges are due with such first payment. The Customer is responsible for the payment of all charges for services furnished by the Company to the Customer. Billing for service will commence on the Service Commencement Date. Customer must notify company of any errors or discrepancies in the billing statement within thirty (30) days of the date the billing statement was mailed to the Customer. The Customer will be obligated to pay all charges shown on the billing statement if the Customer fails to provide such notice.

Taxes. The Customer is responsible for the payment of federal excise taxes, state and local sales and use, excise or privilege taxes and similar taxes imposed by governmental jurisdictions, all of which shall be designated as separate line items on the Company's invoices. Any taxes imposed by a local jurisdiction (e.g., county and municipal) will only be recovered from those Customers residing in the affected jurisdictions.

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2.5.2 Billing and Collection of Charges

- A. Non-recurring Charges. The non-recurring charges contained in the Service Description are due with the Customer's first payment for charges, which payment shall be for the period from the start of service through the end of the next full month. Non-recurring charges not included with installation charges billed to the Customer shall be due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company.

Customer shall be responsible for paying all of the Company's charges for time and material resulting from diagnosing problems which were caused by Customer's equipment.

- B. Recurring Charges. The Company shall present invoices for recurring charges monthly to the Customer, in advance of the month in which service is provided, and recurring charges shall be due and payable within thirty (30) days after the date the invoice is mailed to the Customer by the Company.
- C. When service does not begin on the first day of the month, or end on the last day of the month, the charge for the fraction of the month in which service was furnished will be calculated on a pro rata basis. For this purpose, every month is considered to have thirty (30) days.
- D. Billing of the Customer by the Company will begin on the Service Commencement Date and accrues through and includes the day that the service, circuit, arrangement or component is discontinued.

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Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

- E. If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. A late payment charge in the amount of the lesser of $1\frac{1}{2}\%$ of the unpaid balance per month or the highest percentage allowable by the South Dakota Commission per month, for bills not paid within thirty (30) days of mailing of the invoice, is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges will be applied without discrimination.
- F. Customer's liability for charges hereunder shall not be reduced by untimely installation or non-operation of the Customer's or a third party's facilities and equipment.
- G. The Customer should notify the Company in writing of any disputed items on an invoice within thirty (30) days of the date of mailing of the invoice, and must pay any portion of the bill that is not in dispute. The Company will then follow the procedures set forth in the Commission's rules regarding disputed bills. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Company will inform the Customer of his or her right to file a complaint with the South Dakota Public Utilities Commission in accordance with the Commission's rules of procedure.

The address of the Commission is as follows:

South Dakota Public Utilities Commission
500 E. Capitol Avenue
State Capitol Building, First Floor
Pierre, South Dakota 57501

- H. If service is disconnected by the Company and later re-installed, reinstallation of service will be subject to all applicable installation charges. If service is suspended by the Company and later restored, restoration of service will be subject to the rates in Section 5.

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Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue

2.5.3 Discontinuance of Service for Cause

- A. Upon nonpayment of any amount owing to the Company for at least 15 days from billing transmittal, the Company may, by giving ten (10) days prior written notice to and attempted telephonic and/or personal contact with the Customer, discontinue or suspend service without incurring any liability. Service may be reinstated at such time as Customer pays in full all arrearages, including late payment charges.
- B. Upon violation of any of the other material terms or conditions of this tariff the Company may, thirty (30) days after giving notice to the Customer discontinue or suspend service without incurring any liability if such violation continues during that period. The Company reserves the option to disconnect service as soon as ten (10) days after the date that the notice of discontinuance or suspension of service was mailed to the customer.
- C. Upon the Customer's insolvency, assignment for the benefit of creditors, filing for bankruptcy or reorganization, or failing to discharge an involuntary petition within the time permitted by law, the Company may, by notice to the Customer, immediately discontinue or suspend service without incurring any liability.
- D. Upon any governmental prohibition or governmental required alteration of the services to the provided or any violation of any application law or regulation, the Company may immediately discontinue service without incurring any liability.
- E. When the Company has cause to disconnect or has disconnected a residential service, it shall postpone disconnection of local service after receiving either verbal or written notification of the existence of a medical emergency for a grace period of five (5) business days.
- F. In the event of fraudulent use of the Company's network, the Company may, without notice, suspend or discontinue service. The Customer will be liable for all related costs. The Customer will also be responsible for payment of any reconnection charges.

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11260 Aurora Avenue
Des Moines, Iowa 50322

- G. Upon the Company's discontinuance of service to the Customer under Section 2.5.3.A or 2.5.3.B, the Company, in addition to all other remedies that may be available to the Company at law or in equity or under any other provision of this tariff, may declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable (discounted to present value at six percent).

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2.5.4 Notice to Company for Cancellation of Service

Customers desiring to terminate service shall provide the Company thirty (30) days written notice of desire to terminate service.

2.5.5 Cancellation of Application for Service

- A. Where the Company permits the Customer to cancel an application for service prior to the Service Commencement Date or prior to any special construction, no charges will be imposed except for those specified below.
- B. Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levied against the Company that would have been chargeable to the Customer had service begun.
- C. Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- D. The special charges described in 2.5.5.A through 2.5.5.C will be calculated and applied on a case-by-case basis.

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Executive Vice President
NewPath Holdings, Inc.

2.5.6 Changes in Service Requested

If the Customer makes or requests material changes in circuit engineering, equipment specifications, service parameters, premises locations, or otherwise materially modifies any provision of the application for service, the Customer's installation fee shall be adjusted accordingly.

2.5.7 Bad Check Charge

A charge of \$25.00 will be assessed for any check returned by drawee bank or other financial institution for: Insufficient or uncollected funds, closed account, apparent tampering, missing signature or endorsement, or any other insufficiency or discrepancy necessitating return of the instrument at the discretion of the drawee bank or other financial institution.

2.6 Allowances for Interruptions in Service

2.6.1 General

- A. A credit allowance will be given when service is interrupted, except as specified in Section 2.6.2 following. A service is interrupted when it becomes inoperative to the Customer, e.g., the Customer is unable to transmit or receive, because of a failure of a component furnished by the Company under this tariff.
- B. An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and, if necessary, releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- C. If the customer reports a service, facility or circuit to be interrupted but declines to release it for testing and repair, or refuses access to its premises for testing and repair by the Company, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service, facility or circuit considered by the Company to be impaired.

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- D. The Customer shall be responsible for the payment of service charges for visits by the Company's agents or employees to the premises of the Customer when the service difficulty or trouble report results from the use of equipment or facilities provided by any party other than the Company, including but not limited to the Customer.
- E. A credit allowance will be given for interruptions of at least twenty-four (24) hours or more. For calculating credit allowances, every month is considered to have thirty (30) days.
- F. Interruptions of 24 Hours or More

<u>Length of Interruption</u>	<u>Interruption Period To Be Credited</u>
24 hours	One Day

- G. Over 24 Hours and Less Than 72 Hours. Interruptions over 24 hours and less than 72 hours will be credited one day for each 24-hour period or fraction thereof. No more than one full day's credit will be allowed for any period of 24 hours.

Interruptions Over 72 Hours. Interruptions over 72 hours will be credited two (2) days for each full 24-hour period. No more than thirty (30) days credit will be allowed for any one month period.

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11260 Aurora Avenue

2.6.2 Limitations of Allowances

No credit allowance will be made for any interruption in service:

- A. Due to the negligence of or noncompliance with the provisions of this tariff by any person or entity other than the Company, including but not limited to the Customer;
- B. Due to the failure of power, equipment, systems, connections or services not provided by the Company;
- C. Due to circumstances or causes beyond the reasonable control of the Company;
- D. During any period in which the Company is not given full and free access to its facilities and equipment for the purposes of investigating and correcting interruptions;
- E. A service will not be deemed to be interrupted if a Customer continues to voluntarily make use of such service. If the service is interrupted, the Customer can get a service credit, use another means of communications provided by the Company, or utilize another means of communications provided by the Company, or utilize another service provider;
- F. During any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- G. That occurs or continues due to the Customer's failure to authorize replacement of any element of special construction and
- H. That was not reported to the Company within thirty (30) days of the date that service was affected.

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2.6.3 Use of Another Means of Communications

If the Customer elects to use another means of communications during the period of interruption, the Customer must pay the charges for the alternative service used.

2.6.4 Application of Credits for Interruptions in Service

Credits for interruptions in service that is provided and billed on a flat rate basis for a minimum period of at least one (1) month, beginning on the date that billing becomes effective, shall in no event exceed an amount equivalent to the proportionate charge to the customer for the period of service during which the event that gave rise to the claim for a credit occurred. A credit allowance is applied on a pro rata basis against the rates specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit.

2.7 Cancellation of Service/Termination Liability

If a Customer cancels a Service Order or terminates services before the completion of the term for any reason or breaches the terms in the service contract, Customer may be requested by the Company to pay to Company termination liability charges, which are defined below. These charges shall become due and owing as the effective date of the cancellation or termination.

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Executive Vice President
NewPath Holdings, Inc.
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2.7.1 Termination Liability

Customer's termination liability for cancellation of service shall be equal to:

- A. All unpaid non-recurring charges reasonably expended by the Company to establish service to the Customer, including any installation charges which may have been waived by the Company, provided Customer has been notified of the amount of the waived charges and of Customer's liability therefore on cancellation, plus;
- B. Any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer, plus;
- C. The difference between the total actual monthly recurring charges to Customer for the Service during the entire time the Service was provided to Customer and the total monthly recurring charges which Customer would have paid or which Customer would have been required to pay if the Service had been based on a month to month term using the Company's most recent tariff prices at the time of cancellation.
- D. Either party shall have the right to cancel services without liability if Company is prohibited from furnishing the Service or if any material rate or term contained herein is substantially changed by order of the South Dakota Commission, the Federal Communications Commission, or highest court of competent jurisdiction to which the matter is appealed, or other local state or federal government authority.

Issued:

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Issued By:

Mick Horke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue

2.8 Customer Liability for Unauthorized Use of the Network

Unauthorized use of the network occurs when a person or entity that does not have actual, apparent, or implied authority to use the network, obtains the Company's services provided under this tariff.

2.8.1 Customer Liability for Fraud and Unauthorized Use of the Network

- A. Except as provided elsewhere in this tariff, the Customer is responsible for payment of all charges for services provided under this tariff furnished to the Customer or User. This responsibility is not changed due to any use, misuse, or abuse of the Customer's service or Customer-provided equipment by Users or other third parties, the Customer's employees or the public.
- B. The Customer is liable for all costs incurred as a result of unauthorized use of the Network, including service charges and any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive charges.
- C. The Customer is responsible for payment of any charges related to the suspension and/or termination of service, and any charges for reconnection of service, incurred as a result of unauthorized use of the Network.

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Mick Herke
Executive Vice President

D. The following activities constitute fraudulent use:

- 1) Using the network to transmit a message, locate a person, or otherwise give or obtain information, without payment for the service;
- 2) Using or attempting to use the Network with the intent to avoid payment, either in whole or in part, of any of the Company's tariffed charges by either rearranging, tampering with, or making connections not authorized by this tariff to any service components used to furnish the Company's services or using fraudulent means or devices, tricks, schemes or false or invalid numbers, false credit devices or electronic devices.

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Executive Vice President
NewPath Holdings, Inc.

2.9 Use of Customer's Service by Others

2.9.1 Resale and Sharing

Any service provided under this tariff may be resold to or shared with other persons at the option of Customer, subject to compliance with any applicable laws or commission regulations governing such resale or sharing. The Customer remains solely responsible for all use of services ordered by it or billed to its telephone number(s) pursuant to this tariff, for determining who is authorized to use its services, and for notifying the Company of any unauthorized use.

2.9.2 Joint Use Arrangements

Joint use arrangements will be permitted for all services provided under this tariff. From each joint use arrangement, one member will be designated as the Customer responsible for the manner in which the joint use of the service will be allocated. The Company will accept orders to start, rearrange, relocate, or discontinue service only from the Customer. Without affecting the Customer's ultimate responsibility for payment of all charges for the service, each joint User shall be responsible for the payment of the charges billed to it.

2.10 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company, (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing merger or reorganization of the Company.

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Mick Herke
Executive Vice President

2.11 Notices and Communications

- A. The Customer shall designate on the Service Order an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- B. The Company shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address on each bill for service to which the Customer shall mail payment on that bill.
- C. Except as otherwise stated in this tariff, all notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following placement of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.
- D. The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

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Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Avenue Avenue

3.0 SERVICE DESCRIPTION

Company offers xDSL services to provide high-speed data connections. Services may be offered by the Company via its own facilities and/or the facilities of other carriers. Services are offered on a statewide basis.

Services are subject to service order and service change charges where the Customer requests new services or changes in existing services, as well as indicated Non-Recurring and Monthly Recurring Charges.

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Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue

4.0 RATE SCHEDULE

Rates will not be provided in this Section until after the Company executes an interconnection agreement with US WEST.

4.1 xDSL DataLoop

Monthly Recurring Charges:

Non-Recurring Installation Charge:

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Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50319

5.0 MISCELLANEOUS SERVICES

5.1 Restoration of Services

5.1.1 Description

A restoration charge applies to the restoration of suspended service and facilities because of nonpayment of bills and is payable at the time that the restoration of the suspended service and facilities is arranged. The restoration charge does not apply when, after disconnection of service, service is later re-installed.

5.2 Rates

[RESERVED FOR FUTURE USE]

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Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Dakota, Minnesota 55323

6.0 SPECIAL ARRANGEMENTS

6.1 Special Construction

6.1.1 Basis for Charges

Where the Company furnishes a facility or service for which a rate or charge is not specified in the Company's tariffs, charges will be based on the costs incurred by the Company and may include: (1) non-recurring type charges; (2) recurring type charges; (3) termination liabilities; or (4) combinations thereof.

6.1.2 Basis for Cost Computation

The costs referred to in 6.1.1 preceding may include one or more of the following items to the extent they are applicable:

- A. cost installed of the facilities to be provided including estimated costs for the rearrangements of existing facilities. Cost installed includes:
 - 1. equipment and materials provided or used,
 - 2. engineering, labor and supervision,
 - 3. transportation, and
 - 4. rights of way;
- B. cost of maintenance;
- C. depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;
- D. administration, taxes and uncollectible revenue on the basis of reasonable average costs for these items;
- E. license preparation, processing and related fees;

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- F. tariff preparation, processing and related fees;
- G. any other identifiable costs related to the facilities provided; and
- H. an amount for return and contingencies.

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Des Moines, Iowa 50322

6.1.3 Termination Liability

To the extent there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the customer.

- A. The termination liability period is the estimated service life of the facilities provided.
- B. The amount of the maximum termination liability is equal to the estimated amounts for:
 - 1. Cost installed of the facilities provided including estimated costs of rearrangements of existing facilities and/or construction of new facilities as appropriate, less net salvage. Cost installed includes the cost of:
 - a. equipment and materials provided or used,
 - b. engineering, labor and supervision,
 - c. transportation, and
 - d. rights of way.
 - 2. license preparation, processing, and related fees,
 - 3. tariff preparation, processing, and related fees,
 - 4. cost of removal and restoration, where appropriate; and
 - 5. any other identifiable costs related to the specially constructed or rearranged facilities.

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Executive Vice President
NewPath Holdings, Inc.

- C. The applicable termination liability method for calculating the unpaid balance of a term obligation. The amount of such a charge is obtained by multiplying the sum of the amounts determined by a factor related to the unexpired period of liability and the discount rate for return and contingencies. The amount shall be adjusted to reflect the predetermined estimate net salvage, including any reuse of the facilities provided. This product is adjusted to reflect applicable taxes.

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Des Moines, Iowa 50322

6.2 Special Promotions

The Company may from time to time engage in special promotional trial service offerings of limited duration designed to attract new Customers or to increase Customer awareness of a particular tariff offering. Promotional offerings will be included in Section 7 of the Company's tariff. All promotions are offered on a non-discriminatory basis.

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Mick Herke
Executive Vice President

7.0 **PROMOTIONAL OFFERINGS**

[RESERVED FOR FUTURE USE]

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Issued By:

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Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

EXHIBIT E OF NEWPATH HOLDINGS, INC.
Interconnection Request

ARTER & HADDEN^{LLP}

ATTORNEYS AT LAW

Founded 1843

1801 K Street, N.W., Suite 400K
Washington, D.C. 20006-1301

telephone 202.775.7100

facsimile 202.857.0172

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Dallas
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Los Angeles
Sacramento

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San Diego
San Francisco
Washington, D.C.
Woodland Hills
Affiliated Offices
Brussels, Belgium
Geneva, Switzerland

Direct Dial: (202) 775-7100
Internet Address: FreeEmail@arterhadden.com

December 9, 1999

Via Federal Express

Mr. Denny Bayers
Interconnection Implementation
U.S. West, Inc.
1801 California Street
Denver, CO 80202

Dear Mr. Bayers:

NewPath Holdings, Inc. ("NewPath") is a present or prospective provider of telecommunications services to residential and/or business customers. Pursuant to paragraph 53 of the Federal Communications Commission's ("FCC") *First Report and Order and Further Notice of Proposed Rulemaking*, CC Docket 98-147, released March 31, 1999, NewPath, on behalf of itself and/or its affiliates or subsidiaries, requests that US West, Inc. and/or its relevant affiliates or subsidiaries ("Company") enter into interim collocation agreements for the states of Iowa, Minnesota, Nebraska, North Dakota and South Dakota.

Specifically, NewPath proposes that NewPath and Company promptly sign interim agreements that would permit NewPath to collocate its telecommunications equipment within Company's central offices in each of the above-referenced states, without waiting for the conclusion of permanent interconnection agreements between the parties. NewPath seeks to enter the local exchange market quickly upon the approval by the respective state public utilities commissions of final interconnection agreements between NewPath and Company. NewPath believes that its market entry goals would be furthered by reaching prompt interim agreements with Company on collocation for each state.

To expedite the process of obtaining an interim collocation arrangement, which NewPath would like to conclude as soon as possible, I have enclosed a proposed interim agreement which NewPath would be prepared to execute immediately. Of course, as the proposed agreement states, the agreement is interim in nature and without prejudice to any positions or policies which the parties may wish to assert as part of a final interconnection contract. In any event, we would request that your company promptly execute the proposed agreement and return appropriate copies to us, so that we may promptly move forward with interim collocation arrangements. If

Mr. Denny Bayers

December 9, 1999

Page 2

however, you have any proposed comments or changes, we would ask that you specifically indicate those comments or changes in the form of a clear black-line type mark-up to the enclosed proposal and return those comments to us as soon as possible.

NewPath also requests, on behalf of itself and/or its affiliates or subsidiaries, and pursuant to 47 U.S.C. §§251(c)(1) and 252(a), that Company enter into negotiations with NewPath for the provision of interconnection, services, and network elements in the states of Iowa, Minnesota, Nebraska, North Dakota and South Dakota. NewPath reserves the right to initiate additional requests for negotiation in other states.

NewPath requests that good faith negotiations commence promptly, and that the Company designate a principal point of contact with whom NewPath may coordinate such negotiations.

I would appreciate your response as promptly as possible with (1) the identity of the persons authorized to negotiate for the Company (as well as a principal point of contact), and (2) a proposal regarding dates and sites acceptable to the Company from which we may move ahead with our first negotiation meeting.

We will assume, pursuant to 47 U.S.C. §252(b)(1), that you received this request for negotiation on the next business day following the date of this letter, and will accordingly calculate all applicable time lines under 47 U.S.C. §252 based on that date.

We look forward to a productive negotiation process.

Yours very truly,

Lawrence R. Freedman
Counsel to NewPath Holdings, Inc.

cc: Mr. Mick Herke
Ms. Heidi Higar
Ms. Kathy Fleming

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

VERIFICATION

State of Iowa)
)
County of Polk) ss.

I, Mick Herke, Executive Vice President of NewPath Holdings, Inc., being duly sworn, state that I am authorized to make this verification on behalf of NewPath Holdings, Inc., the Applicant named in the foregoing instrument, that the facts and allegations therein contained are true except so far as they are therein stated to be on information, and that, so far as they are therein stated to be on information, applicant believes them to be true.



Mick Herke

Taken, sworn to and subscribed before me this 3rd day of Jan, 2000.



Notary Public in and for said County

My commission expires on the 1 day of May 2001.



**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

Application of)

NEUPATH HOLDINGS, INC.)

for a Certificate of Authority to Provide)

Local Exchange Telecommunications)

Services in the State of South Dakota)

File No. _____

REQUEST FOR CONFIDENTIALITY

NewPath Holdings, Inc. ("NewPath"), by its counsel, hereby requests the South Dakota Public Utilities Commission (the "Commission"), pursuant to Admin. Rules of South Dakota § 20:10:01:41 to designate as confidential Exhibit C of NewPath's above-captioned Application for a Certificate of Authority ("Application"), which is being filed concurrently with the instant request, in order to protect highly proprietary information included therein. In support of this request NewPath provides the following information:

1. Attached as Exhibit C to NewPath's Application are NewPath's financial statements. This data is critical, commercially sensitive and competitively significant information that is not available to the general public.
2. Because the telecommunications industry is highly competitive, NewPath believes that disclosure of this information would place it at a significant competitive disadvantage, impede full and fair competition, and undermine its business plans in South Dakota and the other jurisdictions it plans to provide service. Unrestricted availability of the details of this information would provide competitors with information regarding NewPath's financial strategies that would otherwise be unavailable. Such availability would disclose NewPath's future business plans to

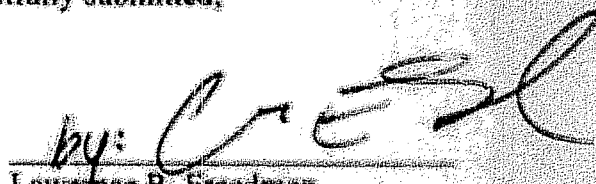
competitors and ultimately result in a competitive disadvantage to NewPath. In contrast, confidential treatment will not adversely affect any interested party. Confidential treatment of this data is therefore required to avoid commercial and competitive injury. Therefore, NewPath respectfully requests the Commission to designate Exhibit C as confidential pursuant to Admin. Rules of South Dakota § 20:10:01:39(6).

3. NewPath requests confidential treatment of Exhibit C during the entire time period in which NewPath's Application is being reviewed by the Commission. Upon grant of the Application, NewPath requests that the Commission return the confidential information contained in Exhibit C to the undersigned at the address listed below.

4. Any questions regarding this Request should be directed to the undersigned.

Respectfully submitted,

By:



Lawrence R. Freedman
FLEISCHMAN AND WALSH, L.L.P.
1400 16TH Street, N.W., Suite 600
Washington, D.C. 20036
Tel. (202) 939-7900
Fax: (202) 588-0095

Dated: February 2, 2000

113543.1

113543.1

FLEISCHMAN AND WALSH, LLP
ATTORNEYS AT LAW
1400 SIXTEENTH STREET, N.W.
WASHINGTON, DC 20036

THE FEDERAL RESERVE BANK OF WASHINGTON
1700 K STREET, N.W.
WASHINGTON, DC 20540

18061

PAY:

TWO HUNDRED FIFTY AND 00/100

DATE

AMOUNT

18061

02-01-00

250.00

TO THE
ORDER
OF

SOUTH DAKOTA PUBLIC UTILITIES
COMMISSION

THE REVERSE SIDE OF THIS DOCUMENT INCLUDES AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW. 0
⑈018061⑈ ⑆0540000030⑆ 1714375⑈

South Dakota Public Utilities Commission

WEEKLY FILINGS

For the Period of February 3, 2000 through February 9, 2000

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Delaine Kolbo within five business days of this filing
Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

CT00-032 In the Matter of the Complaint filed by Margie Gertsen, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant indicates that a telemarketer identified himself as a representative of her long distance company wanting to combine her billing. As a result of that call her service was switched. The Complainant requests that something be done so this does not continue to happen.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Filed: 02/04/00
Intervention Deadline: NA

CT00-033 In the Matter of the Complaint filed by Dale Hilgemann, Aberdeen, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Practices.

The Complainant indicates that his long distance service was switched without authorization. The Complainant requests that all charges be removed, and there be an imposition of fines and penalties.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Filed: 02/04/00
Intervention Deadline: NA

CT00-034 In the Matter of the Complaint filed by Kathleen C. Glynn, Watertown, South Dakota, against OLS, Inc. Regarding Switching Telecommunications Services Through Deceptive Tactics.

The Complainant claims she was contacted by a telemarketer to switch her long distance service. The Complainant indicates that she requested information in writing and did not agree to switch service. For a resolution, the Complainant requests that her account be closed, all charges be removed and there be an imposition of appropriate laws.

Staff Analyst: Leni Healy
Staff Attorney: Karen Cremer
Date Filed: 02/02/00
Intervention Deadline: NA

CT00-035 In the Matter of the Complaint filed by Gordon Wilkerson, Manager, on behalf of Sioux Falls Stockyards Co., Sioux Falls, South Dakota, against FirstTel Business Systems Regarding Billing Dispute.

On February 8, 2000, the Commission received a complaint regarding a billing dispute against FirstTel Business Systems. The Sioux Falls Livestock Market received a letter from FirstTel informing it that, based on a recent audit, it had not been charged a monthly line rent charge for three lines at the business. FirstTel billed the complainant for the three lines for the past six months. The complainant alleges it was quoted a price from FirstTel when its business was solicited and it has paid that amount. The complainant is requesting that FirstTel cancel its bill for past services in the amount of \$1,133.76 and to cooperate with U S WEST to have their service transferred back to U S WEST.

Staff Analyst: Michele Farris
Staff Attorney: Camron Hoseck
Date Filed: 02/08/00
Intervention Date: NA

TC00-006 In the Matter of the Application of NewPath Holdings, Inc. for a Certificate of Authority to Provide Telecommunications Services, Including Local Exchange Services, in South Dakota.

NewPath Holdings, Inc. is seeking a Certificate of Authority to provide resort and facilities-based local exchange (subject to rural safeguards) and interexchange telecommunications services in South Dakota. Initially, NewPath intends to provide local services only.

Staff Analyst: Keith Senger
Staff Attorney: Camron Hoseck
Date Filed: 02/03/00
Intervention Date: 02/25/00

TC00-007 In the Matter of Qwest Communications, Inc.

Commission Staff filed a Motion To Assess Fines and Statutory Penalties against Qwest Communications, Inc. The basis for this Motion is the number of complaints which have recently been filed against Qwest Communications, Inc. which are alleged to represent a pattern of inadequate service in South Dakota, of reckless disregard for South Dakota law and a disregard for the rights of South Dakota consumers. Staff moves the Commission to assess fines and penalties in accordance with SDCL 49-31-93, 49-31-94, impose other penalties and assess costs associated with processing the complaints.

Staff Attorneys: Camron Hoseck and Karen Cremer
Date Filed: 02/04/00
Intervention Deadline: NA

TC00-008 In the Matter of the Application of United Communications HUB, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

United Communications HUB, Inc. (United) seeks a Certificate of Authority to provide resold intrastate interexchange telecommunications services. United intends to offer 1+, 800, travel card, and dedicated interexchange services throughout South Dakota.

Staff Analyst: Heather Forney
Staff Attorney: Camron Hoseck
Date Filed: 02/08/00
Intervention Date: 02/25/2000

TC00-009 In the Matter of the Application of Adelphia Business Solutions Operations, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

Adelphia Business Solutions Operations, Inc. seeks a Certificate of Authority to provide resold and facilities based interexchange telecommunications services in South Dakota. Adelphia intends to offer 1+ direct dial, toll free, travel card and prepaid calling card services.

Staff Analyst: Keith Senger
Staff Attorney: Camron Hoseck
Date Filed: 02/09/00
Intervention Date: 02/25/00

TC00-010 In the Matter of the Application of UKI Communications, Inc. for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

UKI Communications, Inc. (UKI) seeks a Certificate of Authority to provide resold long distance telecommunications services. UKI intends to offer 1+ and Travel Card services throughout South Dakota.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Filed: 02/09/00
Intervention Date: 02/25/00

TC00-011 In the Matter of the Filing by U S WEST Communications, Inc. of a Notice of Intent to file a 271 Application

On February 8, 2000, U S WEST Communications, Inc. filed with the Commission its Notice of Intent to File Section 271 Application and Motion for Alternative Procedure to Merge the Section 271 Process. U S WEST is asking the Commission to (1) allow it to file the U.S. Master Test Plan with the Commission for its consideration and adoption in early second quarter 2000; and (2) to create a procedure that will allow the parties to coordinate all aspects of Section 271 in a timely manner.

All Staff

Date Filed: 02/08/00

Intervention: NA

You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.tx.us/puc>

MISCELLANEOUS INDEMNITY BOND

KNOW ALL MEN BY THESE PRESENTS, that we NewPath Holding, Inc.
 as Principal, and Employers Mutual Casualty Company
 as Surety, a corporation organized under the laws of the State of South
Dakota, and duly authorized to transact business in the State of
South Dakota, are held and firmly bound unto South Dakota Public
Utilities Commission

in the penal sum of Twenty-five Thousand and no/100ths Dollars
 (\$ 25,000.00), lawful money of the United States, to the payment of which
 well and truly to be made we hereby bind ourselves and our heirs, administrators,
 successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the bounden Principal has entered into a contract with South Dakota
Public Utilities Commission for the Telecommunications Services,
Including Local Exchange Services

NOW, THEREFORE, the condition of this obligation is such that if the above
 bounden Principal shall in all things well and truly perform and observe all and
 each of the agreements, covenants on his part to be observed, which are contained
 in a certain written agreement, captioned SD PUC
Docket TCOO-006 and made between the
 said Principal and the said Obligee, and dated the 17th day of February
2000 and shall indemnify and at all times save harmless the Obligee
 from any and all loss, costs, suits, damages, charges and expenses, including
 attorney's fees, which may arise or result by reason of said Principals breach of
 the above described agreement, then this obligation shall be null and void,
 otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and
 seals this 17th Day of February, 2000

*Original Bond is
 in Delaines Bottom*
 ATTEST Nick Guzzo

NewPath Holdings, Inc.

By Nick Guzzo

Employers Mutual Casualty Company

ATTEST

Melissa L. Evans
 COUNTERSIGNED

Nick Guzzo

Resident Agent

Nick Guzzo

By

Nancy D. Schwarz
 Nancy D. Schwarz Attorney-in-Fact

(Seal)

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT**KNOW ALL MEN BY THESE PRESENTS, that:**

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation
4. Illinois EMCASCO Insurance Company, an Illinois Corporation

5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation
7. The Hamilton Mutual Insurance Company, an Ohio Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint

F. MELVYN HRUBETZ, J.E. CLAY, GREG T. LAMAIR, JOYCE O. HERBERT, MARK E. KEARNES, NANCY D. SCHWARZ, MELISSA L. EVANS, INDIVIDUALLY, DES MOINES, IOWA

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

IN AN AMOUNT NOT EXCEEDING TEN MILLION DOLLARS (\$10,000,000.00)

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire April 1, 2002 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this

4th day of March, 1999

Seals



RUTA KRUMINS
MY COMMISSION EXPIRES
September 30, 2000

Bruce G. Kelley, Chairman
of Companies 2, 3, 4, 5 & 6; President
of Company 1; Vice Chairman and
CEO of Company 7

Donald L. Coughenower
Assistant Secretary

On this 4th day of March AD 1999 before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Donald L. Coughenower, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary, respectively, of each of The Companies above, that the seals affixed to this instrument are the seals of said corporations, that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors, and that the said Bruce G. Kelley and Donald L. Coughenower, as such officers, acknowledge the execution of said instrument to be the voluntary act and deed of each of the Companies.

My Commission Expires September 30, 2000

Notary Public in and for the State of Iowa

CERTIFICATE

I, David L. Hixenbaugh, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the companies, and this Power of Attorney issued pursuant thereto on March 4, 1999 behalf of F. Melvyn Hrubetz, J.E. Clay, Greg T. LaMair, Joyce O. Herbert, Mark E. Kearnes, Nancy D. Schwarz, Melissa L. Evans true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 17th day of February 2000

David L. Hixenbaugh
Vice President

FLEISCHMAN AND WALSH, L. L. P.

ATTORNEYS AT LAW

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

1400 SIXTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

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AARON J. FLEISCHMAN

FLEISCHMAN AND WALSH, P. C.

CHARLES S. WALSH
ARTHUR H. HARDING
STUART F. FELDSTEIN
JEFFREY L. HARDIN
STEPHEN A. BOUCHARD
R. BRUCE BECKNER
CHRISTOPHER G. WOOD
BETH A. DAVIDSON
JAMES F. MORIARTY
MATTHEW D. EMMER
HOWARD A. TOBEL
LOUIS H. DUPART
SHARON O'MALLEY-MONAHAN**
LAWRENCE R. FREEDMAN

ORIGINAL

JILL KLEPPE MCCLELLAND
REGINA FAMIGLIETTI PACE
CRAIG A. GILLEY
SUSAN A. MORT
MARK D. PINLSTROM
BETH-SHERRI AKYERKO
BRIAN C. MALADY
THOMAS E. KNIGHT
SETH M. WARNER
MARK B. DENBO**
BRANDON M. HIRSCH
CARA E. SHEPPARD
STEVEN J. HAMRICK
KEVIN C. BRENNAN
FILOMENA D'ELIA
ARDEN T. PHILLIPS***
PATRICK L. GILMORE***
RICHARD L. DAVIS
S. JENELL TRIGG

March 7, 2000

* VA BAR ONLY
** MA BAR ONLY
*** NO BAR ONLY

VIA OVERNIGHT DELIVERY

Keith Senger, Utility Analyst
South Dakota Public Utilities Commission
500 East Capitol Avenue
State Capitol Building, 1st Floor
Pierre, South Dakota 57501-5070

RECEIVED

MAR 08 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: SD PUC Docket TC00-006-Application for Authority for NewPath Holdings, Inc. for a Certificate of Authority to Provide Telecommunications Services, Including Local Exchange Services, in South Dakota ("Application")

Dear Mr. Senger:

NewPath Holdings, Inc. ("NewPath") hereby responds to the first and second data requests sent to NewPath on February 8, 2000 and February 16, 2000 respectively. We have enclosed an original and one copy of this response. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage-paid envelope provided. Also, we have attached a facsimile copy of the verification page of this letter today, but will send the original signed verification page under separate cover.

First Data Request (February 8, 2000)

1. Cost Support; ARSD 20:10:24:02(12) and ARSD 20:10:24:03(14)

In light of your determination that NewPath adequately addressed both ARSD 20:10:24:02(12) and ARSD 20:10:24:03(14), NewPath agrees to the consideration of the Application without the requested waiver of the cost support requirement.

2. Map or Narrative Description; ARSD 20:10:32:03(07)

In light of your determination that NewPath's Application satisfied ARSD 20:10:32:03(07), NewPath agrees to the consideration of its Application without the requested waiver of the map requirement under this section.

3. Standing With Other Regulatory Agencies; ARSD 20:10:32:03(17)

When NewPath filed its Application on February 3, 2000, it had not yet been certified to provide telecommunications services in any jurisdiction. However, NewPath was granted certification to provide telecommunications services in Wisconsin by the Wisconsin Public Service Commission ("WPSC") on February 18, 2000. NewPath is in good standing with the WPSC. NewPath has not been denied certification by any agency or commission.

4. Marketing and Sales Brochures; ARSD 20:10:24:02(11) and ARSD 20:10:32:03(15)

NewPath has not finalized its marketing plan. NewPath does not intend to engage in pyramid type arrangements known as multilevel marketing. NewPath does not currently use company brochures to assist in the sale of telecommunications services, nor has it developed such a brochure. Accordingly, NewPath hereby requests a waiver of the requirement to include its sales brochures in its Application.

5. Supplemental Financial Statements; ARSD 20:10:24:02(08) and ARSD 20:10:32:03(11)

NewPath has already submitted a supplemental financial statement filing. The date-stamp copy of this filing is attached hereto for convenience at Attachment I.

6. Customer Billings and Customer Service Matters; ARSD 20:10:24:02(09) and ARSD 20:10:32:03(9)(b)) and (18)

NewPath's bills to customers will be provided either electronically, such as through NewPath's web site, or through hard copy, generally on a monthly basis. The charges in the bills will be itemized. NewPath's bills will designate an address to which the customer should send all notices and communications and may designate a separate address to which the customer should send payment.

In the event of a dispute between a subscriber and NewPath concerning any bill, NewPath's policies and procedures will provide that the subscriber should notify the Company in writing of any disputed items on an invoice within 180 days of the date of mailing of the invoice, and must pay any portion of the bill that is not in dispute. Also, the customer will be obligated to pay all charges shown on the billing statement if the customer fails to provide notice within the stated time period. The customer may notify NewPath of the dispute in writing or by calling NewPath's toll free customer service number (877) 862-3069. The toll-free customer service number will be noted on the customer's bill. A NewPath employee will be available to address customer complaints received through the toll free number any time from Monday through Friday during the company's normal

business hours. The company has not yet hired the employee that will be responsible for complaint and other customer service matters but will provide this information to the commission as soon as it is available. Until that time, New Path will use the following contact to address these matters:

Mick Herke, Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322
Telephone: (515) 276-3069
Facsimile: (515) 270-9181
Toll Free: 1 (877) 862-3069

After receipt of a customer complaint, NewPath will make an investigation and will report the results to the customer and to the Commission, if the Commission is involved at that point. If the customer and NewPath are unable to resolve the dispute to their mutual satisfaction, NewPath will inform the customer of his or her right to file a complaint with the South Dakota Public Utilities Commission in accordance with the Commission's rules of procedure. The Commission's address and toll free telephone numbers will be listed on customer bills.

Customers will also be able to use NewPath's toll-free number to register complaints about network and service problems. NewPath will employ prudent management and engineering practices so that sufficient equipment and adequate personnel are available at all times, including busy hours.

When a customer's service is found to be out of order or a customer reports trouble, NewPath will promptly test its facilities to determine if there is a problem with NewPath's facilities. There will be no charge assessed to the customer if the problem is with NewPath's facilities. If the problem is not with NewPath's facilities, NewPath will notify the customer promptly. Before it provides service, NewPath will adopt a program of periodic tests, inspections and preventative maintenance aimed at achieving efficient operation of its system to permit at all times the rendering of safe, adequate and continuous service as recognized by general practices within the telecommunications industry. This program will be available for the Commission's review upon request.

NewPath will comply with all Commission quality of service requirements under the guidance of its Executive Vice President of Operations, Shawn Hanson, NewPath's consultants, and the other qualified NewPath employees. The resumes of these persons which were attached to the original application demonstrate NewPath's ability to perform the tasks necessary to ensure compliance with any Commission quality or service requirement. In addition, NewPath hereby supplements its original application with the resumes of additional operational employees retained since the filing of the original application attached hereto as Attachment 2.

Keith Senger
March 7, 2000
Page -4-

7-9. Customer Bill Disputes; Commission's Toll Free and Hearing Impaired Phone Numbers;
Liability Limitations

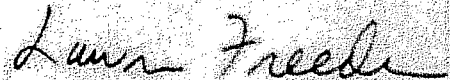
Pursuant to your request, NewPath has amended its tariff. The effective replacement tariff pages are attached hereto as Attachment 3.

Second Data Request (February 16, 2000)

Pursuant to your request, a \$25,000.00 Miscellaneous Indemnity Bond Number 5258151, dated February 17, 2000 is attached hereto as Attachment 4 and submitted expressly pursuant to the Second Data Request dated February 16, 2000. It is NewPath's understanding that the bond requirement will be placed in a Commission order and that, as stated in the Second Data Request, NewPath is free to apply to the Commission for removal of the bond requirement once its financial capability improves or is made known.

Should you have any questions concerning this filing or require more information from NewPath, please do not hesitate to contact the undersigned.

Respectfully submitted,



Lawrence R. Freedman
Counsel for NewPath Holdings, Inc.

cc: Camron Hoseck, PUC Staff Attorney

ATTACHMENT 1

FLEISCHMAN AND WALSH, L. L. P.

ATTORNEYS AT LAW

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1400 SIXTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

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MATTHEW D. EMMER

HOWARD A. TOPEL

LOUIS H. DUPART

SHARON O'MALLEY MONAHAN**

LAWRENCE R. FREEDMAN

JILL KLEPPE MCKELLEN
REGINA FAMILIETTI
CRAIG A. GILLEY
SUSAN A. MORT
MARR D. FINESTROM
BETH SHERIDAN
ERIN C. WALSH
THOMAS E. WRIGHT
SETH W. WARRICK
MARR D. BENSCH
BRANDON N. WISCH
CARA E. SHEPHERD
STEVEN J. HANCOCK
KEVIN C. BRENNAN
FILMENA D'ELIA
ARON T. PHILLIPS
DEBRA L. GILMORE
RICHARD L. DAVIS

*** VISA ONLY**
**** MC CARD ONLY**
***** MC CARD ONLY**

February 11, 2000

VIA OVERNIGHT DELIVERY

William Bullard, Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
State Capitol Building, 1st Floor
Pierre, South Dakota 57501-5070

RECEIVED

FEB 11 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: Application for Authority for NewPath Holdings, Inc.; Supplemental
Financial Information

Dear Mr. Bullard:

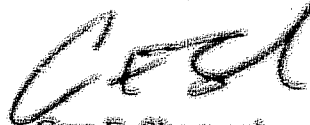
NewPath Holdings, Inc. ("NewPath"), by its attorneys, herewith files supplemental information to its Application for a Certificate of Authority to Provide Resold and Facilities Based Local Exchange and Interexchange Telecommunications Services, filed with the South Dakota Public Services Commission ("Commission") on February 3, 2000. The supplemental information consists of additional financial data relative to NewPath as requested by the Commission.

NewPath respectfully requests that the information not be divulged to the public. NewPath's Request for Confidentiality, which requested confidential treatment of the financial information provided in its Application for Certificate of Authority, was filed together with its application on February 3, 2000. The financial data being submitted herewith contains proprietary and commercially sensitive information regarding NewPath's proposed business operations. Accordingly, pursuant to South Dakota Administrative Rules §§ 20:10-01-39-44, this information has been included in a sealed envelope marked "CONFIDENTIAL."

William Bullard
February 11, 2000
Page 2

Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed postage-paid envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,



Cara E. Sheppard
Lawrence R. Freedman
Counsel for NewPath Holdings, Inc.

cc: Keith Fenger

114552.1

114552.1

ATTACHMENT 2

Walt Hodges
129 North Ankeny Blvd. #144
Ankeny, IA 50021
(515) 778-6666

**CAREER
SUMMARY:**

Team leader/architect in full-scale design, development, implementation, installation, and support of large and small LAN & WAN networks. Results oriented tenacious problem solver. Design and deliver training on computerization, Local Area Networks, Troubleshooting PC and LAN/WAN hardware & software, and other IT topics. Perform research, costing analysis, and assess new and emerging technologies as they pertain to hardware and software platforms in support of business applications. Possess thorough working knowledge of business planning, technology planning, technology management, and information architecture. Perform strategic and tactical systems planning and deployment, including specifying enterprise information systems architecture. Thorough knowledge of information systems, extending across the spectrum of mainframes, Client/Server, Unix systems, data, voice, and satellite networks. Project manager for successful deployment of WAN infrastructure in Meredith Corp. Broadcasting Group (New server and e-mail system deployed to twelve television stations across the United States on time and under budget.)

CERTIFICATIONS:

Cisco CCNA, A+, Microsoft MCP-Server, Microsoft MCP-Workstation, Novell CNE, IBM LAN Server, 3Com 3+Open.

EXPERIENCE:

Sept. 98 -
Present

MEREDITH CORPORATION - DES MOINES, IA

Senior LAN Administrator (Intel):

Lead engineer for Y2K upgrade(s) on Novell 4.10 & 4.11 servers deployed across the U.S. Install all upgrades and troubleshoot problems involved in upgrade process. Upgrade GroupWise 4.1 post office to GroupWise 5.5 environment. Train site administrators on Novell 4.11 and GroupWise 5.5 administration and troubleshooting. Project manager on Y2K server installation, upgrade, design, and documentation as necessary or required.

Mar. 98 - Sept.
98

LIGHTHOUSE COMPANIES - DES MOINES, IA

Network Services Manager and Systems Engineer: Responsible for successful implementation of Microsoft NT 4.0 Server & Novell 3.2 & 4.11 InterNetwork network consultations, installations, and support. Hands-on manager and mentor to networking technicians to develop their networking skills and allow their knowledge to increase by participating in the correct installation of network components and systems.

Oct. 96 - Mar. -
98

SPRINT PCS - WEST DES MOINES, IA

Area Systems Integration Manager: Administer and maintain Win NT 4.0 servers, and Windows 95 workstations for the Sprint PCS North

Central Area. Develop, test, and maintain region, area and district disaster recovery plans. Develop methods, and implement procedures for inventory and asset management. Ensure contractors provide level of service as agreed. Bring assigned projects to successful completion, keeping budget considerations (Costs & Time) as the driving force. Develop and manage functional teams to design and implement IT projects.

JAN. 95 - OCT
96

COMPLETE OFFICE SERVICES, INC — ANKENY, IA

Senior Consultant: Provide IT management skills to emerging and small to middle market enterprises. Develop and complete project management tasks to enable these companies to successfully acquire and deploy computing equipment within their IT framework.

NOV. 90 - DEC.
94

ERNST & YOUNG, LLP — DES MOINES, IA

Assistant Director and Senior Consultant: Provide IT support and guidance to internal E&Y Partners and staff. Provide IT management skills to emerging and small to middle market enterprises. Develop and complete project management tasks to enable these companies to successfully acquire and deploy computing equipment within the company IT framework.

EDUCATION:

WILLIAM PENN COLLEGE

BACHELOR OF ARTS IN BUSINESS (Magna Cum Laude) GPA: 3.80

William R. Walling

2415 Jewel Plymouth, Minnesota 55447
612-664-3140 Work 612-473-7841 Home

Experience and Skills

Program Management. Managed numerous successful ISDN and ATM trials. Responsibilities included vendor management, budgeting, contract administration, coordination with Bellcore and Advanced Technologies, project management, interdepartmental coordination including engineering and installation scheduling.

Budgeting. Managed the COMPASS budget for three years. Managed multi million dollar capital and expense budgets in both the NE and NW Switching Engineering Mgr. positions.

Business Case . Wrote and developed business case and budget for the COMPASS program.

Customer Interaction. End to end responsibilities for INTERACT customer service. Main customer contact for the COMPASS ATM trials. This included all aspects of coordination for the projects. As a Business I&M Supv., I negotiated and coordinated installation activities with customers.

Leadership. Managed various groups including management and occupational employees. Teams have been as large as fifty people. I frequently provide leadership in areas with there is no precedent or existing structure to follow.

Competencies

Written Communications. Demonstrated in preparation of trial documents, reports, letters and project documentation.

Verbal Communications. Presentations given broadband and UMS development to customers, National Engineering Forums, IEEE Conference, Next Generation Networks Conference, Telestrategies and Broadband Comforum.

Technical. Background in ATM, Frame Relay, data networking, Internet multimedia, video, web services, voice switching and transmission engineering, SONET, TDM, network management, and software development.

U S WEST Work History 24 years

Switching Design Engineer 6-76 to 8-77

TIRKS Supervisor 8-77 to 1-80 (mechanized equipment records)

Business Installation and Maintenance Supervisor 1-80 to 6-81

Transmission Engineer 6-81 to 7-81

Manager Product Selection - Test Sets 7-81 to 5-84

Manager Central Office Engineering (NE) 5-84 to 8-88

Bellcore Internship - Switch Capacity Analysis, Metropolitan Area Network, and

Next Generation Networks 8-88 to 7-89

Manager Central Office Engineering (NW) 8-89 to 1-91

Manager Broadband Services 5-91 to 2-93

Manager COMPASS Lab 2-93 - 8-95

✱ Director COMPASS/INTERACT Operations 8-95 to 4-97

COMPASS: Communications Program for Advanced Switched Services

INTERACT includes internet access, intranets, web hosting, and

Lotus Notes services

Program Manager - Capital Utilization 4-97 to 7-97

Manager Umbrella Management System Development 5-97 to present

Education and Honors

Iowa State University

BS Electrical Engineering

Honors: Eta Kappa Nu - Engineering, Pi Mu Epsilon - Math

Additional Information.

Central Office engineering management included capacity analysis, equipment ordering, installation coordination, budgeting, and evaluating switch bids. During my tenure we were involved in aggressive switch replacements that many times included frame replacement and power planning.

My research as an intern at Bellcore was a major turning point in my career. I worked on a Metropolitan Area Network prototype that introduced me to data networking. My final assignment was to help write deployment planning documents for Next Generation Network Remote Switches. This was done in 1989, when ATM was an emerging technology.

As the COMPASS broadband trials Project Manager, - I had end to end responsibilities for delivering the trial service to customers. This included customer desk top applications to control the network, an OC12 meet to Sprint using different SONET suppliers, multimedia application development, 5 different ATM switch suppliers, network management, operations support, and prototype imaging and video hardware. The trials were done with real customers and required significant transmission and facility coordination.

When the trials were nearing an end, the COMPASS team became the first members of ACS, the name was later changed to INTERPRISE. This business unit is very non-traditional in the corporation and is now in charge of all new product development.

I gained outside experience as a Business IAT supervisor. In the 1988 strike I served as an IAT tech and shot single line trouble. True hands on experience.

OMS Development Manager - I helped sell the INTERPRISE organization on the TPO concept by describing its strategic business value. We used programming languages, development methods and tools that had not been used by the traditional IT department. I hired the development team and started the whole project from scratch.

ED ZAMMAR

5905 S. 173rd Avenue
Omaha, Nebraska 68135

Residence: (402) 895-1048
E-mail: ezammar@comcast.net

OBJECTIVE

A challenging, growth oriented executive position with an organization in which proven experience and abilities in personnel and technical management, operational planning, development and implementation management will be of value and lead to mutual satisfaction.

BACKGROUND SUMMARY

A Professional in the Technology Management Field (Telephony, Data, Network, Computing and Servers, LAN / WAN & Convergence technology.) Have managed technical support from crew through executive levels with accountability of up to thirty directs to over six hundred-plus indirect associates. Strong understanding of the Direct & Indirect Sales and Support Channels in telephony, video, service and support.

- **Effective Communicator and Relationship Manager.** Have worked with many of the largest accounts in the USA (Government, Global & National Business Accounts, Manufacturers and Vendors of Products & Services.) U.S Congress; FAA; FEMA; White House; First Chicago; Citibank; American Airlines; McDonnell-Douglas; Raytheon, Universal & Fox Studios; Allstate Insurance; Merrill-Lynch; Norfolk & Southern; Travelers are but a few of the companies with whom I worked and negotiated service, support, technical advise and operations.
- Understand acquisition management, having purchased, managed and grown the Cable & Wire Business for Inacom to its present revenue stream of over \$5M.
- Have managed and supported Corporate IT infrastructure in campus settings for both Inacom and Lucent. This included telephony, data, Frame Relay, Network & LD Services and the management of vendors and contracts. Managed an ACD group handling over 12,000 calls per day for support, (included the management of IVR, Conversant programs and tiered technical support.)
- Developed & managed Help Line Services for all application products and services in the Lucent catalog, (Voice Messaging, PBX, Administrative Management tools, etc.)
- Recruited, hired and trained over 1000 personnel in the technical areas of the business. Planned, built and managed the consolidated technical centers for both Lucent and Inacom, in Denver, Rye and Omaha.
- Understand and manage to ISO and Baldrige standards in the industry. Was the ISO Director for Communications at Inacom for three years. Re-engineered the Provisioning process for Lucent Business Communications Systems.

PROFESSIONAL EXPERIENCE

INACOM COMMUNICATIONS, Omaha, Nebraska

1994 - 1999

Director Client Services/Service Planning (Executive Level)

Planned, designed and implemented the foundational programs for Technology Management of Products and Services for the business unit. Hired, trained and nurtured the Service Center from 7 to 40+ personnel. Created the capability to support the full line of Lucent products. Planned and implemented the growth of the Cable and Wire Business from a \$200,000 revenue stream to a \$5,000,000 business in three years through expansion of internal, external and acquisition programs.

- Expanded the Service capability of the business unit by the development of Technical teams installing systems, nationally. Sold and installed a high level of PBX systems as the top Distributor in the Lucent network, through Dealer interface and Direct sales infrastructure.
- Managed the internal Telecommunications requirements for the Corporate Headquarters Campus Environment. (including voice, data, network services and daily move, add & change (MAC) support.) Managed vendor contracts in support of these offerings with AT&T, MCI, Sprint, Lucent, and local vendors, etc.
- Grew and stabilized the relationship processes and programs supporting Lucent as well as other major manufacturers of voice, data and network products and services. (Key & PBX, Video, IVR Based Servers, Voice & Messaging, Data, Network, Cable & Wire and all associated applications.

LUCENT (AT&T), Denver, Colorado

1981 - 1994

Director and General Manager (Division Level)

General Manager for re-engineering design and implementation of provisioning as well as an advisor on Maintenance, Logistics, Billing, Manufacturing, Systems Support & Tools

- Planned, built and managed the TSC (Technical Service Center) and the Network Services Unit (QualNet) for Lucent-BCS, as General Manager.
- Director for the National Customer Services Center for Lucent. This unit had the responsibility for the management of all Controlled Introduction products after the initial Beta testing, working in tandem with Bell Labs. This unit also established all Help Line services for Lucent.
- Director of the Field Assistance Support Teams for the Western US covering the territories previously handled by Southwestern Bell, Mountain Bell, Pacific and Pacific NW Bell companies. This supported both centralized and field services units supporting voice, data, computing and transmission engineering.
- Developed, edited and published the Technical News Letters for the Lucent company. First Chairman of the National Support Forum, a technical brain trust of the best technical advisors within the Bell System.
- Primary Technical Advisor to the International DEFINITY Users Group, a who's who of the most influential client-purchasers of the products and services supported through Lucent. Worked closely with the clients and supported the officer levels interfacing with them on technical and support issues.
- Director for planning and development of technical support within the Division. Planned the consolidation and re-deployment of eight centers down to three. Consolidated 16 Remote centers for tiered call receipt down to one. Both were accomplished with minimal disruption of service and the client base awarded the TSC the "best in class" certification, as having been built with their needs in mind.

PROFESSIONAL EXPERIENCE (Continued)

SOUTHWESTERN BELL TELEPHONE, St. Louis, Missouri 1975 – 1980
**District Manager/District Plant Manager/District Plant Superintendent/District Staff
Manager-GHQ**

Established the Special Service District prototype, which was a forerunner of the Field Assistance Teams, ultimately deployed throughout the country. Consolidated all technical engineering positions from PBX, Voice, Data, Computing and Transmission disciplines into a centralized and deployed engineering organization for SWBT and then Mountain before taking the units to AT&T (Lucent, now).

- Managed the full gambit of Plant support (test center, assignment, facilities, central office, installation, maintenance and cable repair) in the major metropolitan area of St. Louis.
- Prior to these assignments, worked in the field environment in quality & production, installation, central office, test center, as a manager, supervisor and as a crafts-person.

Prior to 1975, experience with Southwestern Bell Telephone included consistent promotions through the organization with increasing responsibility and extensive work in all areas of emerging technologies in telecommunications.

EDUCATION

B.S.B.A., Washington University, St. Louis, Missouri

ATTACHMENT 3

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A. the payment of all applicable charges pursuant to this tariff;
- B. providing the personnel, power and space required to operate all facilities and associated equipment installed on the premises of the Customer;
- C. providing Company personnel access to premises of the Customer at any reasonable hour for the purpose of testing the facilities or equipment of the Company.

2.3.2 Liability of the Customer

- A. To the extent caused by any negligent or intentional act of the Customer, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses for (1) any loss, destruction or damage to property of any third party; and, (2) any liability incurred by the Company to any third party pursuant to this or any other tariff of the Company, or otherwise, for the interruption of, interference to, or other defect in any service provided by the Company to such third party.

Issued:

Effective:

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

B. Reserved for future use.

Issued:

Effective:

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

2.5 Payment Arrangements

2.5.1 Payment for Service

Customer shall pay Company, monthly in advance, a monthly charge equal to the rate set forth in the Service Description or equal to the monthly charge as adjusted under the terms hereof, provided, however, that the first such payment shall be for the period from the Service Commencement Date through the end of the next full month. The non-recurring installation charges are due with such first payment. The Customer is responsible for the payment of all charges for services furnished by the Company to the Customer. Billing for service will commence on the Service Commencement Date. Customer must notify company of any errors or discrepancies in the billing statement within 180 days of the date the billing statement was mailed to the Customer. The Customer will be obligated to pay all charges shown on the billing statement if the Customer fails to provide such notice.

Taxes. The Customer is responsible for the payment of federal excise taxes, state and local sales and use, excise or privilege taxes and similar taxes imposed by governmental jurisdictions, all of which shall be designated as separate line items on the Company's invoices. Any taxes imposed by a local jurisdiction (e.g., county and municipal) will only be recovered from those Customers residing in the affected jurisdictions.

Issued:

Effective:

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.

- E. If any portion of the payment is received by the Company after the date due, or if any portion of the payment is received by the Company in funds which are not immediately available upon presentment, then a late payment penalty shall be due to the Company. A late payment charge in the amount of the lesser of $1\frac{1}{2}\%$ of the unpaid balance per month or the highest percentage allowable by the South Dakota Commission per month, for bills not paid within thirty (30) days of mailing of the invoice, is not applicable to subsequent rebilling of any amount to which a late payment charge has already been applied. Late payment charges will be applied without discrimination.
- F. Customer's liability for charges hereunder shall not be reduced by untimely installation or non-operation of the Customer's or a third party's facilities and equipment.
- G. The Customer should notify the Company in writing of any disputed items on an invoice within 180 days of the date of mailing of the invoice, and must pay any portion of the bill that is not in dispute. The Company will then follow the procedures set forth in the Commission's rules regarding disputed bills. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Company will inform the Customer of his or her right to file a complaint with the South Dakota Public Utilities Commission in accordance with the Commission's rules of procedure.

The address of the Commission is as follows:

South Dakota Public Utilities Commission
500 E. Capitol Avenue
State Capitol Building, First Floor
Pierre, South Dakota 57501
Toll Free Number: 1-800-332-1782
TTY Through Relay South Dakota 1-800-877-1113

- H. If service is disconnected by the Company and later re-installed, reinstallation of service will be subject to all applicable installation charges. If service is suspended by the Company and later restored, restoration of service will be subject to the rates in Section 5.

Issued:

Effective

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue

ATTACHMENT 4

FLEISCHMAN AND WALSH, L. L. P.

ORIGINAL

ATTORNEYS AT LAW

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

1400 SIXTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

TEL (202) 939-7900 FAX (202) 745-0916

INTERNET fw@fw-law.com

AARON I. FLEISCHMAN

FLEISCHMAN AND WALSH, P. C.

CHARLES S. WALSH

ARTHUR H. HARDING

STUART F. FELDSTEIN

JEFFREY L. HARDIN

STEPHEN A. BOUCHARD

R. BRUCE BECKNER

CHRISTOPHER G. WOOD

SETH A. DAVIDSON

JAMES F. MORIARTY

MATTHEW D. EMMER

HOWARD A. TOPEL

LOUIS H. DUPART*

SHARON O'MALLEY MONAHAN**

LAWRENCE R. FREEDMAN

JILL KLEPPE MCGLELLAND
REGINA FAMILIETTI PACE
CRAIG A. GILLET
SUSAN A. MORT
MARK D. BIRLSTROM
BETH-SHERRI ANTREKOS
BRIAN C. MALADY
THOMAS E. KNIGHT
SETH M. WARNER
MARK B. DENSO***
BRANDON H. HIRSCH
CARA E. SHEPPARD
STEVEN J. MAWICK
KEVIN L. BRENNAN
ELOMERA D'ELIA
ARDEN T. PHILLIPS***
PATRICK L. GILMORE***
RICHARD L. DAVIS
S. JENELL TRIGG

March 8, 2000

VIA OVERNIGHT DELIVERY

Keith Senger, Utility Analyst
South Dakota Public Utilities Commission
500 East Capitol Avenue
State Capitol Building, 1st Floor
Pierre, South Dakota 57501-5070

RECEIVED

MAR 09 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

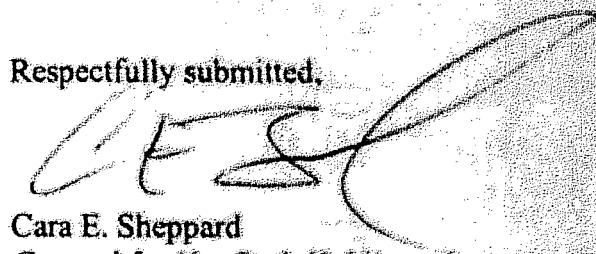
Re: SD PUC Docket TC00-006-Application for Authority for NewPath Holdings, Inc. for a Certificate of Authority to Provide Telecommunications Services, Including Local Exchange Services, in South Dakota

Dear Mr. Senger:

NewPath Holdings, Inc. ("NewPath") filed a response on March 8, 2000 to the first and second data requests sent to NewPath on February 8, 2000 and February 16, 2000 respectively. We have enclosed an original and one copy of the original signed verification page to replace the facsimile copy of the verification page submitted with the March 8th response.

Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed, postage-paid envelope attached. Should you have any questions concerning this filing, please do not hesitate to contact the undersigned.

Respectfully submitted,



Cara E. Sheppard

Counsel for NewPath Holdings, Inc.

cc: Camron Hoseck, PUC Staff Attorney

VERIFICATION

I, Mick Herke, Executive Vice President of NewPath Holdings, Inc. state that I am authorized to make this verification on behalf of NewPath Holdings, Inc., the Applicant named in the foregoing instrument, that the facts and allegations therein contained are true except so far as they are therein stated to be on information, and that, so far as they are therein stated to be on information, applicant believes them to be true.



Mick Herke

Date: 3/7/00



South Dakota Public Utilities Commission

State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070



March 21, 2000

Lawrence R. Freedman
Fleischman and Walsh, LLP
1400 Sixteenth Street, N.W. - Suite 600
Washington, DC 20036

Capitol Office
Telephone (605) 773-3201
FAX (605) 773-3809

Transportation/
Warehouse Division
Telephone (605) 773-5280
FAX (605) 773-3225

Consumer Hotline
1-800-332-1782

TTY Through
Relay South Dakota
1-800-877-1113

Internet Website
www.state.sd.us/puc/

Jim Burg
Chairman
Pam Nelson
Vice-Chairman
Laska Schoenfelder
Commissioner

William Bullard Jr.
Executive Director

Harlan Best
Martin C. Bettmann
Sue Cichos
Karen E. Cremer
Terry Emerson
Michele M. Farris
Marlette Fischbach
Heather K. Forney
Shirleen Fugitt
Mary Giddings
Lewis Hammond
Loni Healy
Mary Healy
Camron Hoseck
Lisa Hull
Dave Jacobson
Jennifer Kirk
Bob Knadle
Delaine Kolbo
Charlene Lund
Gregory A. Rislov
Keith Senger
Rolayne Aults Wiest

RE: SD PUC Docket TC00-006 - Application of NewPath Holdings, Inc. for a Certificate of Authority to Provide Telecommunications Services, including Local Exchange Services, in South Dakota

Dear Mr. Freedman:

The bond submitted for NewPath Holding, Inc. does not meet the requirements of the South Dakota Public Utilities Commission. First, the bond does not include "the consumers of South Dakota" as obligee as requested in my second data request dated February 16, 2000. Second, the bond references a CONTRACT with the PUC which is not the reason for the bond.

Enclosed please find Bond Number S258151 (Miscellaneous Indemnity Bond) and Power of Attorney No. 383318.

If you have any questions, contact me at the Commission (605) 773-3201 or by e-mail; keith.senger@state.sd.us.

Sincerely,

Keith Senger, Utility Analyst

Enclosure

CC: Camron Hoseck, PUC Staff Attorney (w/o enclosure)

Bond Number S258131

MISCELLANEOUS INDEMNITY BOND

KNOW ALL MEN BY THESE PRESENTS, that we NewPath Holding, Inc.
as Principal, and Employers Mutual Casualty Company
as Surety, a corporation organized under the laws of the State of South
Dakota, and duly authorized to transact business in the State of
South Dakota, are held and firmly bound unto South Dakota Public
Utilities Commission
in the penal sum of Twenty-five Thousand and no/100ths Dollars
(\$ 25,000.00), lawful money of the United States, to the payment of which
well and truly to be made we hereby bind ourselves and our heirs, administrators,
successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the bounden Principal has entered into a contract with South Dakota
Public Utilities Commission for the Telecommunications Services,
Including Local Exchange Services

NOW, THEREFORE, the condition of this obligation is such that if the above
bounden Principal shall in all things well and truly perform and observe all and
each of the agreements, covenants on his part to be observed, which are contained
in a certain written agreement, captioned SD PUC Docket TC00-006 and made between the
said Principal and the said Obligor, and dated the 17th day of February
2000 and shall indemnify and at all times save harmless the Obligor
from any and all loss, costs, suits, damages, charges and expenses, including
attorney's fees, which may arise or result by reason of said Principals breach of
the above described agreement, then this obligation shall be null and void,
otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the Principal and Surety have hereunto set their hands and
seals this 17th Day of February, 2000

NewPath Holdings, Inc.

ATTEST _____

By [Signature]

Employers Mutual Casualty Company

ATTEST Melissa L. Evans
COUNTERSIGNED

By [Signature]
Nancy D. Schwarz Attorney-in-Fact

EMC Insurance Companies

P.O. Box 712 • Des Moines, Iowa 50363

No. 383318

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation
4. Illinois EMCASCO Insurance Company, an Illinois Corporation

5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation
7. The Hamilton Mutual Insurance Company, an Ohio Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint

F. MELVYN HRUBETZ, J.E. CLAY, GREG T. LAMAIR, JOYCE O. HERBERT, MARK E. KEARNES, NANCY D. SCHWARTZ, MELISSA L. EVANS, INDIVIDUALLY, DES MOINES, IOWA

its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

IN AN AMOUNT NOT EXCEEDING TEN MILLION DOLLARS (\$10,000,000.00)

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire April 1, 2002 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to: (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power of attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 4th day of March, 1999.

Seals



RUTA KRUMINS
MY COMMISSION EXPIRES
September 30, 2000

Bruce G. Kelley
Bruce G. Kelley, Chairman
of Companies 2, 3, 4, 5 & 6, President
of Company 1, Vice Chairman and
CEO of Company 7

Donald L. Cougheknowler
Donald L. Cougheknowler
Assistant Secretary

On this 4th day of March, AD 1999, before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Donald L. Cougheknowler, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary, respectively, of each of the Companies above, that the seals affixed to this instrument are the seals of said corporations, that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors, and that the said Bruce G. Kelley and Donald L. Cougheknowler, as such officers, acknowledge the execution of said instrument to be the voluntary act and deed of each of the Companies. My Commission Expires September 30, 2000.

Ruta Krumins
Notary Public in and for the State of Iowa

CERTIFICATE

I, David L. Hixenbaugh, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on March 4, 1999 on behalf of F. Melvyn Hrubetz, J.E. Clay, Greg T. LaMair, Joyce O. Herbert, Mark E. Kearnes, Nancy D. Schwarz, Melissa L. Evans, are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 17th day of February, 2000.

FLEISCHMAN AND WALSH, L. L. P.

ATTORNEYS AT LAW

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

1400 SIXTEENTH STREET, N. W.

WASHINGTON, D. C. 20036

TEL (202) 939-7900 FAX (202) 745-0918

INTERNET WWW.FW-LAW.COM

AARON I. FLEISCHMAN

FLEISCHMAN AND WALSH, P. C.

CHARLES S. WALSH

ARTHUR H. HARDING

STUART F. FELDSTEIN

JEFFREY L. HARDIN

STEPHEN A. BOUCHARD

R. BRUCE BECKNER

CHRISTOPHER G. WOOD

SETH A. DAVIDSON

JAMES P. MORIARTY

MATTHEW D. EMMER

HOWARD A. TOPEL

LOUIS H. DUPART*

SHARON O'MALLEY MONAHAN**

LAWRENCE R. FREEDMAN

RECEIVED

MARCH 30 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

JILL KLEPPE MCCLELLAND
REGINA KEMIGLIETTI PACE
CHRIS A. GILLET
CUSAN A. MORT
MARK S. FULSTROM
BETH SHERRI ARTERBERG
BRIAN C. ORLANDY
THOMAS E. ARNSHT
SETH M. WARNER
MARK S. BENOIT**
BRANDON M. HIRSCH
CARA E. SHEPHERD
STEVEN J. WARRER
KEVIN C. BRENNAN
FLORENA D. ELIA
ARLEN T. PHILLIPS***
PATRICK L. GILMORE***
RICHARD L. DAVIS
S. JENELL TRIGG
JENNIFER B. TOMCHIN

* OR BAR ONLY
** OR BAR ONLY
*** OR BAR ONLY

March 30, 2000

VIA OVERNIGHT DELIVERY

Keith Senger, Utility Analyst
South Dakota Public Utilities Commission
500 East Capitol Avenue
State Capitol Building, 1st Floor
Pierre, South Dakota 57501-5070

Re: SD PUC Docket TC00-006-Application for Authority for NewPath Holdings, Inc. for a Certificate of Authority to Provide Telecommunications Services, Including Local Exchange Services, in South Dakota ("Application")

Dear Mr. Senger:

NewPath Holdings, Inc. ("NewPath") hereby responds to the Third Data Request sent to NewPath on March 21, 2000. We have enclosed an original and four copies of this response. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage-paid envelope provided.

1. Pursuant to your request, a \$25,000.00 bond dated March 27, 2000 is attached hereto as Attachment 1 and submitted pursuant to the Second Data Request dated February 16, 2000 but in the amended format as requested by the Third Data Request. It is NewPath's understanding that the terms and conditions for the retention and application of the bond will be stated in a Commission order and that, as stated in the Second Data Request, NewPath will be free to apply to the Commission for removal of the bond requirement in accordance with applicable law and procedures.
2. NewPath has amended its tariff pursuant to the Third Data Request and in furtherance thereof has reinserted section 2.3.2.B into the tariff. The affected replacement tariff page is attached hereto as Attachment 2.

To: Keith Senger
March 30, 2000
Page 2

Should you have any questions concerning this filing or require more information from NewPath, please do not hesitate to contact the undersigned.

Respectfully submitted,

Lawrence R. Freedman
Counsel for NewPath Holdings, Inc.

cc: Camron Hoseck, PUC Staff Attorney

RECEIVED

MAR 21 2000

INDEMNITY BOND
to the
PEOPLE OF THE STATE OF SOUTH DAKOTA

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Bond Number S258151

We, NewPath Holding, Inc., the principal and applicant for a CERTIFICATE OF AUTHORITY within the State of South Dakota, and Employers Mutual Casualty Company, as an admitted surety insurer, bind ourselves unto the Public Utilities Commission of the State of South Dakota and consumers of South Dakota as Obligee, in the sum of Twenty-five Thousand and no/100ths(\$25,000.00).

The conditions of the obligation are such that the principal, having been granted such CERTIFICATE OF AUTHORITY subject to the provision that said principal purchase this Indemnity Bond, and if said principal shall in all respects fully and reimburse customers of NewPath Holding, Inc. for any prepayment of deposits they have made which may be unable or unwilling to return to said customers as a result of insolvency or other business failure, then this obligation shall be void, discharged and forever exonerated, otherwise to remain in full force and effect.

This bond shall take effect as of the date hereon and shall remain in force and effect until the surety is released from liability by the written order of the Public Utilities Commission, provided that the surety may cancel this Bond and be relieved of further liability hereunder by delivering thirty (30) days written notice to the Public Utilities Commission. Such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of said thirty (30) day period.

Dated this 27th day of March, 2000

To be effective this 17th day of February 2000

*Original Bond is
in Delaines Bottom
desk drawer.*

NEWPATH HOLDING, INC.

By: *Mal H...*

EMPLOYERS MUTUAL CASUALTY COMPANY

By: *Nancy D. Schwarz*

Nancy D. Schwarz, Attorney-in-Fact

Countersigned this 27th day of
March, 2000.

Countersigned for South Dakota

By: _____

Resident Agent Nick Gusso

EMC Insurance Companies

P.O. Box 712 • Des Moines, Iowa 50303

No. 410347

CERTIFICATE OF AUTHORITY INDIVIDUAL ATTORNEY-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, that:

1. Employers Mutual Casualty Company, an Iowa Corporation
2. EMCASCO Insurance Company, an Iowa Corporation
3. Union Insurance Company of Providence, an Iowa Corporation
4. Illinois EMCASCO Insurance Company, an Illinois Corporation

5. Dakota Fire Insurance Company, a North Dakota Corporation
6. EMC Property & Casualty Company, an Iowa Corporation
7. The Hamilton Mutual Insurance Company, an Ohio Corporation

hereinafter referred to severally as "Company" and collectively as "Companies", each does, by these presents, make, constitute and appoint:

F. MELVYN HRUBETZ, J.E. CLAY, GREG T. LAMAIR, JOYCE O. HERBERT, MARK E. KEAIRNES, NANCY D. SCHWARZ, MELISSA L. EVANS, INDIVIDUALLY, DES MOINES, IOWA

Its true and lawful attorney-in-fact, with full power and authority conferred to sign, seal, and execute its lawful bonds, undertakings, and other obligatory instruments of a similar nature as follows:

IN AN AMOUNT NOT EXCEEDING TEN MILLION DOLLARS (\$10,000,000.00)

and to bind each Company thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of each such Company, and all of the acts of said attorney pursuant to the authority hereby given are hereby ratified and confirmed.

The authority hereby granted shall expire April 1, 2002 unless sooner revoked.

AUTHORITY FOR POWER OF ATTORNEY

This Power-of-Attorney is made and executed pursuant to and by the authority of the following resolution of the Boards of Directors of each of the Companies at a regularly scheduled meeting of each company duly called and held in 1999:

RESOLVED: The President and Chief Executive Officer, any Vice President, the Treasurer and the Secretary of Employers Mutual Casualty Company shall have power and authority to (1) appoint attorneys-in-fact and authorize them to execute on behalf of each Company and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and (2) to remove any such attorney-in-fact at any time and revoke the power and authority given to him or her. Attorneys-in-fact shall have power and authority, subject to the terms and limitations of the power-of-attorney issued to them, to execute and deliver on behalf of the Company, and to attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof, and any such instrument executed by any such attorney-in-fact shall be fully and in all respects binding upon the Company. Certification as to the validity of any power-of-attorney authorized herein made by an officer of Employers Mutual Casualty Company shall be fully and in all respects binding upon this Company. The facsimile or mechanically reproduced signature of such officer, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power-of-attorney of the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, the Companies have caused these presents to be signed for each by their officers as shown, and the Corporate seals to be hereto affixed this 4th day of March, 1999.

Seals



Bruce G. Kelley
Bruce G. Kelley, Chairman
of Companies 2, 3, 4, 5 & 6; President
of Company 1; Vice Chairman and
CEO of Company 7

Donald L. Coughenower
Donald L. Coughenower
Assistant Secretary

On this 4th day of March, AD 1999, before me a Notary Public in and for the State of Iowa, personally appeared Bruce G. Kelley and Donald L. Coughenower, who, being by me duly sworn, did say that they are, and are known to me to be the Chairman, President, Vice Chairman and CEO, and/or Assistant Secretary, respectively, of each of The Companies above; that the seals affixed to this instrument are the seals of said corporations; that said instrument was signed and sealed on behalf of each of the Companies by authority of their respective Boards of Directors; and that the said Bruce G. Kelley and Donald L. Coughenower, as such officers, acknowledge the execution of said instrument to be the voluntary act and deed of each of the Companies. My Commission Expires September 30, 2000.

Ruta Krumins
Notary Public in and for the State of Iowa

CERTIFICATE

I, David L. Hixenbaugh, Vice President of the Companies, do hereby certify that the foregoing resolution of the Boards of Directors by each of the Companies, and this Power of Attorney issued pursuant thereto on March 4, 1999

behalf of F. Melvyn Hrubetz, J.E. Clay, Greg T. LaMair, Joyce O. Herbert, Mark E. Keairnes, Nancy D. Schwarz, Melissa L. Evans are true and correct and are still in full force and effect.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 27th day of March, 2000

ATTACHMENT I

ATTACHMENT 2

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

- A. the payment of all applicable charges pursuant to this tariff;
- B. providing the personnel, power and space required to operate all facilities and associated equipment installed on the premises of the Customer;
- C. providing Company personnel access to premises of the Customer at any reasonable hour for the purpose of testing the facilities or equipment of the Company.

2.3.2 Liability of the Customer

- A. The Customer shall be liable for damages to the facilities of the Company and for all incidental and consequential damages caused by the negligent or intentional acts or omissions of the Customer, its officers, employees, agents, invitees or contractors where such acts or omissions are not the direct result of the Company's negligence or intentional misconduct.

Issued:

Effective:

Issued By:

Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, Iowa 50322

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING
NEWPATH HOLDINGS, INC. FOR A)	CERTIFICATE OF
CERTIFICATE OF AUTHORITY TO PROVIDE)	AUTHORITY
TELECOMMUNICATIONS SERVICES,)	
INCLUDING LOCAL EXCHANGE SERVICES, IN)	TC00-006
SOUTH DAKOTA)	

On February 3, 2000, the Public Utilities Commission (Commission) received an application for a certificate of authority from NewPath Holdings, Inc. (NewPath).

NewPath proposes to offer resold and facilities-based local exchange and interexchange services throughout South Dakota. NewPath does not, however, propose to offer local exchange service in rural carriers' service areas exempt from interconnection obligations as set forth in 47 U.S.C. § 251(c). Initially, NewPath intends to provide data services only. A proposed tariff was filed by NewPath.

On February 10, 2000, the Commission electronically transmitted notice of the filing and the intervention deadline of February 25, 2000, to interested individuals and entities. No petitions to intervene or comments were filed and at its regularly scheduled April 13, 2000, meeting, the Commission considered NewPath's request for a certificate of authority. Commission Staff recommended granting a certificate of authority, subject to a continuous \$25,000 bond, and subject to rural safeguards. Commission Staff further recommended a waiver of ARSD 20:10:24:02(11) and ARSD 20:10:32:03(8) and (15).

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-31, specifically 49-31-3 and 49-31-69 and ARSD 20:10:24:02, 20:10:24:03 and 20:10:32:03. The Commission finds that NewPath has met the legal requirements established for the granting of a certificate of authority. NewPath has, in accordance with SDCL 49-31-3 and 49-31-71, demonstrated sufficient technical, financial and managerial capabilities to offer telecommunications services in South Dakota. Further, the Commission finds that there is good cause to waive subparagraph (11) of ARSD 20:10:24:02 and subparagraphs (8) and (15) of ARSD 20:10:32:03.

The Commission approves NewPath's application for a certificate of authority, subject to a continuous \$25,000 bond, and subject to rural safeguards. The certificate of authority for NewPath shall authorize it to offer local exchange services in South Dakota, except in those areas served by a rural telephone company. In the future, should NewPath choose to provide local exchange services statewide, with respect to rural telephone companies, NewPath will have to come before the Commission in another proceeding before being able to provide local service in that rural service area pursuant to 47 U.S.C. § 253(f) which allows the Commission to require a company that seeks to provide service in a rural service area to meet the requirements in 47 U.S.C. § 214(e)(1) for designation

as an eligible telecommunications carrier. In addition, the granting of statewide certification will not affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f). It is therefore

ORDERED, that NewPath's application for a certificate of authority to provide telecommunications services, including local exchange services, is granted, subject to a continuous \$25,000 surety bond; and it is

FURTHER ORDERED, that NewPath shall file informational copies of tariff changes with the Commission as the changes occur; and it is

FURTHER ORDERED, that the Commission shall authorize NewPath to offer its local exchange services in South Dakota, except in those areas served by a rural telephone company; and it is

FURTHER ORDERED, that the Commission finds good cause to waive subparagraph (11) of ARSD 20:10:24:02 and subparagraphs (8) and (15) of ARSD 20:10:32:03.

Dated at Pierre, South Dakota, this 19th day of April, 2000.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Alaine Kalbo

Date: 4/19/00

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

CERTIFICATE OF AUTHORITY

To Conduct Business As A Telecommunications Company
Within The State Of South Dakota

Authority was Granted April 13, 2000
Docket No. TC00-006

This is to certify that

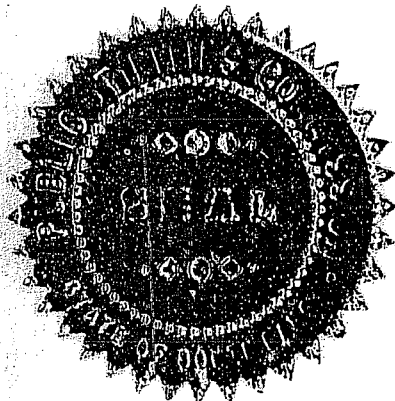
NEWPATH HOLDINGS, INC.

is authorized to provide telecommunications services in South Dakota.

This certificate is issued in accordance with SDCL 49-31-3 and ARSD 20:10:24:02, and is subject to all of the conditions and limitations contained in the rules and statutes governing its conduct of offering telecommunications services.

Dated at Pierre, South Dakota, this 19th day of April, 2000.

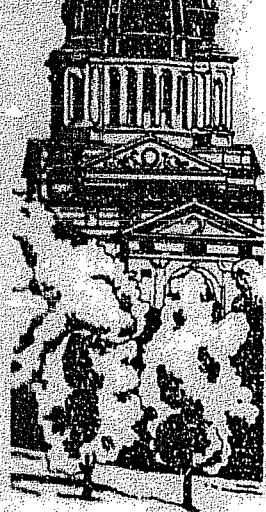
**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION:**




JAMES A. BURG, Chairman


PAM NELSON, Commissioner


LASKA SCHOENEFELDER, Commissioner



Public Utilities Commission

State Capitol Building, 500 East Capitol Avenue, Pierre, South Dakota 57501-5070



April 20, 1999

Mr. Mick Herke
Executive Vice President
NewPath Holdings, Inc.
11260 Aurora Avenue
Des Moines, IA 50322

RE: CERTIFICATE OF AUTHORITY - DOCKET TC00-006

Dear Mr. Herke:

Enclosed you will find a corrected Order Granting Certificate of Authority with reference to NewPath Holdings, Inc. The one we sent you on April 19, 2000, had the year 1999 in the date line rather than 2000. Please disregard the Order we sent you on April 19, 2000, and replace it with the enclosed Order.

Thank you.

Very truly yours,

Delaine Kolbo
Legal Secretary

Enc.

cc: Mr. Lawrence R. Freedman
Enc.

Capitol Office
Telephone (605) 773-3201
FAX (605) 773-3809

Transportation/
Warehouse Division
Telephone (605) 773-5280
FAX (605) 773-3225

Consumer Hotline
1-800-332-1782

TTY Through
Relay South Dakota
1-800-877-1113

Internet Website
www.state.sd.us/puc/

Jim Burg
Chairman
Pam Nelson
Vice-Chairman
Lanka Schoenfelder
Commissioner

William Bullard Jr.
Executive Director

Harlan Best
Martin C. Bettmann
Sue Cichos
Karen E. Cremer
Terry Emerson
Michele M. Farris
Marlette Fischbach
Heather K. Forney
Shirleen Fugitt
Mary Giddings
Lewis Hammond
Lani Healy
Mary Healy
Camron Hoseck
Lisa Hull
Dave Jacobson
Jennifer Kirk
Bob Knadle
Delaine Kolbo
Charlene Lund
Gregory A. Rislov
Keith Senger
Rolayne Ajls Wiest